



## OROVILLE CITY COUNCIL

Council Chambers  
1735 Montgomery Street  
Oroville, CA. 95965

**APRIL 18, 2017**  
**REGULAR MEETING**  
**CLOSED SESSION 5:30 P.M.**  
**OPEN SESSION 6:30 P.M.**  
**AGENDA**

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### CLOSED SESSION (5:30 P.M.)

#### ROLL CALL

Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier

#### CONVENE TO CLOSED SESSION (ITEMS LISTED ON PAGE NO. 4)

#### RECONVENE TO OPEN SESSION

#### OPEN SESSION (6:30 P.M.)

#### PLEDGE OF ALLEGIANCE

#### PROCLAMATION / PRESENTATION

*Oath of Office* for newly sworn *Volunteer in Police Services Officer Barbara Joann Hurley*

#### CONSENT CALENDAR

1. **APPROVAL OF THE APRIL 4, 2017 REGULAR MEETING OF THE OROVILLE CITY COUNCIL –**  
minutes attached

#### Finance Department

2. **MONTHLY FINANCIAL REPORT AND REPORT OF INVESTMENTS FOR FEBRUARY AND MARCH**  
**2017 – report attached**

The Council will receive a copy of the February and March 2017 Monthly Financial Report and Report of

Investments. (Ruth Wright, Director of Finance)

Council Action Requested: **Acknowledge receipt of the February and March 2017 Monthly Financial Report and Report of Investments.**

**3. AGREEMENT WITH SPYGLASS GROUP, LLC – staff report**

The Council may consider an Agreement with SpyGlass Group, LLC for telecommunication audit services. (Ruth Wright, Director of Finance)

Council Action Requested: **Adopt Resolution No. 8599 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH SPYGLASS GROUP, LLC FOR TELECOMMUNICATION AUDIT SERVICES – (Agreement No. 3216).**

**Business Assistance & Housing Development Department**

**4. COMMERCIAL LEASE AGREEMENT WITH BILL RHOADES AND COLBY FLOWERS DBA: STATE BARBER SHOP – staff report**

The Council may consider a Commercial Lease Agreement with Bill Rhoades and Colby Flowers dba: State Barber Shop, for the rental of a commercial unit at the Historic State Theatre, 1455 Myers Street, Suite 1. (Rick Farley, Enterprise Zone & Business Assistance Coordinator and Donald Rust, Director of Community Development)

Council Action Requested: **Adopt Resolution No. 8600 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A COMMERCIAL LEASE AGREEMENT WITH BILL RHOADES AND COLBY FLOWERS DBA: STATE BARBER SHOP, FOR THE OFFICE SPACE LOCATED AT 1455 MYERS STREET, SUITE 1 – (Agreement No. 3217).**

**Community Development Department**

**5. ZONING CHANGE 16-01: ENCLOSURES FOR SOLID WASTE AND RECYCLABLE MATERIALS (2<sup>nd</sup> Reading) – staff report**

The Council may consider adopting an amendment to Title 17 of the Oroville Municipal Code (Zoning Ordinance) relating to the provision of areas for collecting and loading recyclable materials and solid waste in development projects. (Donald Rust, Director of Community Development)

Council Action Requested: **Waive the second reading and adopt by title only, Ordinance No. 1820 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING AMENDMENTS TO TITLE 17 OF THE OROVILLE MUNICIPAL CODE RELATING TO THE PROVISION OF AREAS FOR COLLECTING AND LOADING RECYCLABLE MATERIALS AND SOLID WASTE IN DEVELOPMENT PROJECTS**

**Public Safety Department**

**6. REQUEST BY OROVILLE CITY ELEMENTARY SCHOOL DISTRICT FOR USE OF CITY OF OROVILLE'S RADIO TOWER – staff report**

The Council may consider a request from the Oroville City Elementary School District to place their emergency communication infrastructure into one of the City of Oroville Public Safety Department's radio towers. (Bill LaGrone, Director of Public Safety)

Council Action Requested: **Allow the Oroville City Elementary School District to place their emergency communication infrastructure into one of the City of Oroville Public Safety Department's radio towers.**

## **PUBLIC HEARINGS**

### **Community Development Department**

7. **ZONING CHANGE 17-01: EXPANSION OF EXISTING MEDICAL MARIJUANA LAND USE REGULATIONS TO APPLY TO RECREATIONAL AND MEDICAL MARIJUANA (1<sup>st</sup> Reading)** – staff report

The Council will conduct a public hearing to review and consider an amendment to Title 17 of the Oroville Municipal Code (Zoning Ordinance) to expand the existing land use regulations regarding medical marijuana to apply to recreational and medical marijuana. (**Donald Rust, Director of Community Development**)

Council Action Requested: **Waive the first reading, and introduce by title only, Ordinance No. 1821 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING AMENDMENTS TO TITLE 17 OF THE OROVILLE MUNICIPAL CODE EXPANDING EXISTING LAND USE REGULATIONS REGARDING MEDICAL MARIJUANA TO APPLY TO RECREATIONAL AND MEDICAL MARIJUANA.**

## **REGULAR BUSINESS**

### **Community Development Department**

8. **RE-EVALUATION OF PRIORITY LIST FOR THE USE OF EXCESS BOND PROCEEDS** – staff report

The Council may consider a re-evaluation and provide direction for use of the approximately \$3,403,149 of excess bond proceeds for implementation of development projects. (**Donald Rust, Acting City Administrator**)

Council Action Requested: **Provide direction, as necessary.**

9. **REPLACEMENT OF WATER SUPPLY LINE AND VALVE IN STATE THEATER BASEMENT** – staff report

The Council may consider the cost of the plumbing expenses for the replacement of a leaking water supply line and valve in the State Theatre's basement. (**Donald Rust, Director of Community Development**)

Council Action Requested:

**Authorize one of the following options:**

- **State Theatre Artists' Guild (STAGE) to pay the full amount of the \$2,800 cost of plumbing repair as indicated by the Consultant;**
- **STAGE and the City to split the cost 50/50, at \$1,400 each (or whatever the final amount of the repair);**
- **CITY to pay full \$2,800 cost of plumbing repair; or**
- **Provide direction, as necessary.**

### **Administration Department**

10. **OROVILLE DAM COALITION LETTER** – staff report

The Council may consider joining with a coalition of community groups, local governments and agencies,

businesses, labor groups and individuals by participating with a coalition letter, with use of the City's logo in the coalition's letterhead, to be sent to the Governor's office and the Secretary of Natural Resource's office, specifying concerns, requests, and questions related to the recent Oroville Dam Spillway incident. **(Donald Rust, Acting City Administrator)**

Council Action Requested: **Agree to have the City of Oroville participate in a coalition of community groups, local governments and agencies, businesses, labor groups, and individuals in the herein identified, coalition letter, with use of the City logo in the coalition's letterhead, to be sent to the Governor's office and the Secretary of Natural Resources' office, specifying concerns, requests, and questions related to the recent Oroville Dam Spillway incident.**

**COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS** (A verbal report may be given regarding any committee meetings attended)

**CITY ADMINISTRATOR/ ADMINISTRATION REPORTS**

**CORRESPONDENCE**

- Federal Energy Regulatory Commission

**HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS**

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter not listed on the agenda to step to the podium, state your name for the record and make your presentation. **Presentations are limited to 3 minutes.** Under Government Code Section 54954.2, The Council is prohibited from taking action except for a brief response by the Council or staff to a statement or question relating to a non-agenda item.

**CLOSED SESSION**

The Council will hold a Closed Session on the following:

1. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville City Employees Association, Oroville Police Officers' Association – Sworn and Non-Sworn, Oroville Firefighters' Association, and Oroville Management and Confidential Association.
2. Pursuant to Government Code Section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and City Attorney to consider the evaluation of performance and employment related to the following position: Director of Finance.
3. Pursuant to Government Code section 54956.9(a), the Council will meet with the Acting City Administrator, and the City Attorney relating to existing litigation: WGS Dental, et al., v. City of Oroville, et al., Butte County Superior Court, Case No. 152036, Third District Court of Appeals, Case No. C 077181.
2. Pursuant to Government Code section 54956.9(d)(4), the Council will meet with the Acting City Administrator and City Attorney regarding potential initiation of litigation – one case.

**ADJOURNMENT**

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on Tuesday, May 2, 2017, at 5:30 p.m.

*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.

**CITY COUNCIL MEETING MINUTES  
APRIL 4, 2017 – 5:30 P.M.**

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The agenda for the April 4, 2017, regular meeting of the Oroville City Council was posted on the bulletin board at the front of City Hall and on the City of Oroville's website located at [www.cityoforoville.org](http://www.cityoforoville.org) on Friday, March 31, 2017, at 10:30 a.m.

The April 4, 2017 regular meeting of the Oroville City Council was called to order by Vice Mayor Goodson at 5:32 p.m.

**ROLL CALL**

Present: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson

Absent: Mayor Dahlmeier (excused)

**Staff Present:**

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Donald Rust, Assistant City Administrator  
Bill LaGrone, Director of Public Safety  
Scott E. Huber, City Attorney  
Amy Bergstrand, Management Analyst III  
Gary Layman, Chief Building Official

Ruth Wright, Director of Finance  
Karolyn Fairbanks, Treasurer  
Jamie Hayes, Assistant City Clerk  
Liz Ehrenstrom, Human Resource Manager  
Dawn Nevers, Assistant Planner

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**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Council Member Berry.

**PROCLAMATION / PRESENTATION**

Vice Mayor Goodson presented, Gary Layman, President, Oroville Exchange Club, with a Proclamation recognizing April 2017, as Child Abuse Prevention Month.

Vice Mayor Goodson presented Reyes Arreola, Rape Crisis Intervention & Prevention, with a Proclamation recognizing April 2017 as Sexual Assault Awareness Month and April 26, 2017, as "Denim Day".

Ruth Wright, Director of Finance, introduced Tareq Barack, Finance Department Intern.

**RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS**

Tasha Levinson – Item No. 7  
Kevin Thompson – Item No. 8

Bill Bynum – Item No. 8

## CONSENT CALENDAR

A motion was made by Council Member Thomson, seconded by Council Member Berry, to approve the following Consent Calendar:

1. **APPROVAL OF THE MINUTES OF THE MARCH 14, 2017 AND MARCH 28, 2017 SPECIAL MEETINGS AND MARCH 21, 2017 REGULAR MEETING OF THE OROVILLE CITY COUNCIL** – minutes attached

### Community Development Department

2. **LETTER OF SUPPORT FOR THE CONSOLIDATION OF THE MOSQUITO ABATEMENT DISTRICTS IN BUTTE COUNTY** – staff report

The Council considered sending a letter to the Butte Local Agency Formation Commission in support of the consolidation of the mosquito abatement districts in the County of Butte. **(Donald Rust, Director of Community Development)**

Council Action Requested: **Direct staff to send a letter to the Butte Local Agency Formation Commission in support of the consolidation of the mosquito abatement districts in the County of Butte.**

3. **LETTER OF SUPPORT FOR ASSEMBLY BILL 1147 REGARDING SOLID WASTE DISPOSAL** – staff report

The Council considered sending a letter of support for the State of California Assembly Bill 1147 regarding solid waste disposal. **(Donald Rust, Director of Community Development)**

Council Action Requested: **Direct the Vice Mayor to sign a letter of support for Assembly Bill 1147 to forward to Assemblyman Salas and Recology.**

4. **OROVILLE SUSTAINABLE CODE UPDATES** – staff report *(2<sup>nd</sup> Reading)*

The Council considered adopting the Oroville Sustainable Code updates and certification of the Final Supplemental Environmental Impact Report. **(Donald Rust, Director of Community Development)**

Council Action Requested: **Waive the second reading, and adopt by title only, Ordinance No. 1819 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE ADOPTING ALL PROPOSED NEW AND AMENDED DOCUMENTS, COLLECTIVELY KNOWN AS “OROVILLE SUSTAINABLE CODE UPDATES,” CERTIFYING THE FINAL SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT, ADOPTING THE AMENDED FINDINGS OF FACT AND STATEMENT OF OVERRIDING CONSIDERATIONS AND ADOPTING THE AMENDED MITIGATION MONITORING AND REPORTING PROGRAM.**

5. **PURCHASE AND INSTALLATION OF HEATING VENTILATION AIR CONDITIONING UNIT** – staff report

The Council considered ratifying the purchase and installation of a heating ventilation air conditioning unit for the Advanced Technology Center building, from the lowest qualified bidder, Grimes Mechanical, in the amount of \$11,200. **(Gary Layman, Chief Building Official and Donald Rust, Director of Community Development)**

Council Action Requested: **Ratify the purchase and installation of a heating ventilation air conditioning unit for the Advanced Technology Center building, from the lowest qualified bidder, Grimes Mechanical, in the amount of \$11,200.**

### **Business Assistance & Housing Development Department**

**6. HOUSING ELEMENT & HOUSING SUCCESSOR AGENCY ANNUAL REPORT – staff report**

The Council received and filed the Housing Element Progress Report for 2016 and the Housing Successor Agency Annual Report for Fiscal Year 2015-2015 that was submitted to the State Department of Housing and Community Development on April 1, 2017. **(Amy Bergstrand, Management Analyst III)**

Council Action Requested: **None.**

The motion to approve the Consent Calendar was passed by the following vote:

Ayes:	Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson
Noes:	None
Abstain:	None
Absent:	Mayor Dahlmeier

### **PUBLIC HEARINGS** - None

### **REGULAR BUSINESS**

#### **Community Development Department**

**7. UTILIZATION OF EXECUTIVE COMMITTEE AS A LIAISON BETWEEN THE CITY OF OROVILLE AND BUTTE COUNTY – staff report**

The Council considered utilizing the Executive Committee as a liaison between the City and Butte County. The Executive Committee, comprising of three Council Members, would meet with two Butte County Supervisors for improving coordination between Butte County and the City of Oroville on matters of mutual interest. **(Donald Rust, Acting City Administrator)**

Tasha Levinson spoke in support of utilizing the Executive Committee as a liaison between the City and Butte County.

Following discussion, a motion was made by Council Member Thomson, seconded by Council Member Del Rosario, to:



**Authorize the Executive Committee, comprised of Mayor Dahlmeier, Vice Mayor Goodson and Council Member Berry, to serve as the City liaison between Butte County and the City of Oroville.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson  
Noes: None  
Abstain: None  
Absent: Mayor Dahlmeier

**8. FORMATION OF COMMUNITY BLIGHT ADVISORY AD HOC COMMITTEE – staff report**

The Council considered approving the formation of the Community Blight Advisory Ad hoc Committee at the request of Vice Mayor Goodson and Council Member Del Rosario. **(Dawn Nevers, Assistant Planner and Donald Rust, Director of Community Development)**

William Bynum, Kevin Thompson and Allen Young spoke in support of the formation of a Community Blight Advisory Ad hoc Committee.

Following discussion, a motion was made by Council Member Draper, seconded by Council Member Hatley, to:

**Appoint Vice Mayor Goodson, Council Member Berry and Council Member Del Rosario to serve on the Community Blight Advisory Ad hoc Committee.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson  
Noes: None  
Abstain: None  
Absent: Mayor Dahlmeier

**9. GRANT AGREEMENT WITH SHYLA COOK RELATING TO THE OROVILLE ARTS & DOWNTOWN BEAUTIFICATION PROJECT – staff report**

The Council considered a Grant Agreement with Artist, Shyla Cook, for the Ishi Mural proposal relating to the Oroville Arts & Downtown Beautification Project. **(Dawn Nevers, Assistant Planner and Donald Rust, Director of Community Development)**

Following discussion, a motion was made by Council Member Draper, seconded by Council Member Del Rosario, to:

**Adopt Resolution No. 8598 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE VICE MAYOR TO EXECUTE A GRANT AGREEMENT WITH SHYLA COOK FOR THE ISHI MURAL PROPOSAL RELATING TO THE OROVILLE ARTS & DOWNTOWN BEAUTIFICATION PROJECT – (Agreement No. 3215).**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Vice Mayor Goodson  
Noes: None  
Abstain: None  
Absent: Mayor Dahlmeier

### **Administration Department**

**10. LEAGUE OF CALIFORNIA CITIES MAYORS & COUNCIL MEMBERS EXECUTIVE FORUM & ADVANCED LEADERSHIP WORKSHOPS – staff report**

The Council may consider allowing interested members of the Council to attend the League of California's Executive Forum and Advanced Leadership Workshops, to be held June 28 – 30, 2017, in Monterey, CA. **(Donald Rust, Acting City Administrator)**

Following discussion, the Council declined to attend the 2017 League of California's Executive Forum and Advanced Leadership Workshops.

### **Public Safety Department**

**11. JOB DESCRIPTION FOR PUBLIC INFORMATION/CRIME PREVENTION OFFICER AND AUTHORIZATION TO HIRE FOR POSITION – staff report**

The Council considered the job description for Public Information / Crime Prevention Officer assigned to the Public Safety Department to be utilized by the entire City. **(Bill LaGrone, Personnel Director and Liz Ehrenstrom, Human Resource Manager)**

At the request of Bill LaGrone, Director of Public Safety, this item was tabled for consideration, therefore; no action was taken on the following:

- 1. Approve this proposed job descriptions for Public Information / Crime Prevention Officer as a member of the Municipal Law Enforcement Program.**
- 2. Authorize staff to hire for the Public Information / Crime Prevention Officer, as indicated in April 4, 2017 staff report.**

**12. PURCHASE OF NEW POLICE VEHICLES – staff report**

The Council considered the purchase of two (2) 2016 Ford Police Interceptor Utility vehicles, in the amount of \$83,184, from Oroville Ford. **(Bill LaGrone, Director of Public Safety)**

Following discussion, a motion was made by Council Member Del Rosario, seconded by Council Member Draper, to:

- 1. Authorize the Public Safety Department to purchase the two (2) Police vehicles from Oroville Ford, below State Contract pricing, in the amount of \$83,183.98, and authorize the purchase of emergency equipment for vehicles to be installed by City staff.**

2. **Authorize the City Purchasing Officer to dispose of vehicles which may be surplused following the purchase of said vehicles. Disposal will be in a manner that brings greatest value to the City, which may include auction, as feasible.**
  
3. **Authorize the Finance Director to adjust affected budgets, as necessary.**

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Vice Mayor Goodson  
Noes: None  
Abstain: None  
Absent: Mayor Dahlmeier

**COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS** - None

**CITY ADMINISTRATOR/ ADMINISTRATION REPORTS**

Ruth Wright, Director of Finance, advised the Council that the Finance Department is currently recruiting for two (2) Accounting Technician positions.

**CORRESPONDENCE**

- Pacific Gas & Electric Company
- Utility Workers Union of America – Local 160D
- California Water Service Company

**HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS**

Carlos Aguilar, Randy Guild and Tamera Hutchinson spoke in opposition to transitional housing in local neighborhoods for Butte County Behavioral Health clients.

Tasha Levinson made comments relating to the City Council's Special meeting, held on March 28, 2017.

**CLOSED SESSION**

The Council held a Closed Session on the following:

1. Pursuant to Government Code section 54957.6, the Council met with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville City Employees Association, Oroville Police Officers' Association – Sworn and Non-Sworn, Oroville Firefighters' Association, and Oroville Management and Confidential Association.

2. Pursuant to Government Code section 54956.95, the City Council met with Acting City Administrator and City Attorney regarding potential litigation – two cases.

Vice Mayor Goodson announced that there were no reportable actions taken in Closed Session and direction had been given to staff.

### **ADJOURNMENT**

The meeting was adjourned at 7:40 p.m. A regular meeting of the Oroville City Council will be held on Tuesday, April 18, 2017, at 5:30 p.m.

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Donald Rust, Acting City Clerk

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Linda L. Dahlmeier, Mayor

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**  
**FROM: RUTH WRIGHT, FINANCE DIRECTOR**  
**RE: MONTHLY FINANCE REPORTS**  
**DATE: APRIL 18, 2017**

**SUMMARY**

The Council will receive the monthly finance reports for February & March, 2017.

**DISCUSSION**

Attached for review are the monthly finance reports for February & March, 2017.

**FISCAL IMPACT**

None

**RECOMMENDATION**

Informational only.

**ATTACHMENTS**

A - Revenue and Expenditure Report  
B - Investment Report



**CITY OF OROVILLE**

**FINANCE DEPARTMENT**

**FEBRUARY 2017**

**&**

**MARCH 2017**

**SUMMARY OF INVESTMENT REPORT**

**MONTHLY REVENUE & EXPENSE REPORTS**


**CITY OF OROVILLE/OROVILLE SUCCESSOR AGENCY**

**MONTHLY SUMMARY OF INVESTMENTS**


**FEBRUARY 2017**

**CERTIFICATION:**

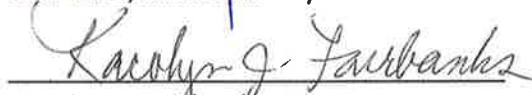
I certify that the information provided above is correct to the best of my knowledge and that (1) all investments are made in accordance with the investment policy and the laws of the State of California and (2) that sufficient funds are available to meet the anticipated expenditures for the next six months.

  
\_\_\_\_\_  
Ruth Wright, Director of Finance

4/4/17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Don Rust, Assistant City Administrator

04.04.17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Karolyn J. Fairbanks, City Treasurer

04-04-17  
\_\_\_\_\_  
Date



April 4, 2017

City of Oroville

February 2017 Investment Report

City of Oroville Investment Portfolio Report				
Summary of Investments				
	Yield	Jan-17	Yield	Feb-17
Local Agency Investment Fund (LAIF)	0.719%	24,198,243	0.751%	23,798,243
Bank of the West Operating Account	0.000%	1,429,232	0.000%	1,624,973
Bank of the West HRA Account	0.000%	0	0.000%	2,491
<b>Total Pooled Investments</b>		<b>25,627,475</b>		<b>25,425,707</b>
City Investment Portfolio - Investments Held in Trust				
	Yield to Maturity			Market Value
Bank of the West Certificates of Deposit (BMWG)	1.050%			200,572
Bank of the West Certificates of Deposit (GS)	1.050%			200,170
Bank of the West Certificates of Deposit (GMATBK)	1.050%			200,166
Bank of the West Certificates of Deposit (KEY 1)	1.000%			200,184
Bank of the West Certificates of Deposit (MOCIBK)	1.050%			200,168
<b>Total Investments Held in Trust</b>				<b>1,001,260</b>




**CITY OF OROVILLE/OROVILLE SUCCESSOR AGENCY**

**MONTHLY SUMMARY OF INVESTMENTS**

**MARCH 2017**

**CERTIFICATION:**

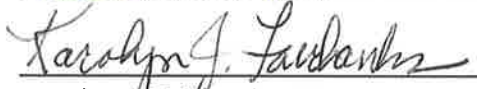
I certify that the information provided above is correct to the best of my knowledge and that (1) all investments are made in accordance with the investment policy and the laws of the State of California and (2) that sufficient funds are available to meet the anticipated expenditures for the next six months.

  
\_\_\_\_\_  
Ruth Wright, Director of Finance

4/11/17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Don Rust, Assistant City Administrator

04.11.17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Karolyn J. Fairbanks, City Treasurer

04-13-17  
\_\_\_\_\_  
Date



April 18, 2017

City of Oroville

March 2017 Investment Report

<b>City of Oroville Investment Portfolio Report</b>				
<b>Summary of Investments</b>				
	Yield	Feb-17	Yield	Mar-17
Local Agency Investment Fund (LAIF)	0.719%	23,798,243	0.751%	24,198,243
Bank of the West Operating Account	0.000%	1,624,973	0.000%	1,626,473
Bank of the West HRA Account	0.000%	2,491	0.000%	2,491
<b>Total Pooled Investments</b>		<b>25,425,707</b>		<b>25,827,207</b>
<b>City Investment Portfolio - Investments Held in Trust</b>				
	Yield to Maturity			Market Value
Bank of the West Certificates of Deposit (BMWG)	1.050%			200,414
Bank of the West Certificates of Deposit (GS)	1.050%			200,010
Bank of the West Certificates of Deposit (GMATBK)	1.050%			199,998
Bank of the West Certificates of Deposit (KEY 1)	1.000%			200,004
Bank of the West Certificates of Deposit (MOCIBK)	1.050%			199,816
<b>Total Investments Held in Trust</b>				<b>1,000,242</b>



**City of Oroville**  
**February 2017**  
**General Fund Revenue**

Budget Unit	Annual Budget	February Revenue	Year to Date Revenue	Budget Remaining	33% Remaining
CITY CLERK	-	-	2,435	(2,435)	-
CITY HALL	-	-	359	(359)	-
FINANCE	-	1,074	3,175	(3,175)	-
GENERAL GOVERNMENT	10,233,475	502,429	6,300,273	3,933,202	38%
PLANNING & DEVEL SVC	167,007	5,624	64,823	102,184	61%
BLDG CODE ENFORCEMENT	617,274	29,577	347,548	269,726	44%
POLICE	470,929	9,079	164,393	306,536	65%
FIRE	124,559	98,579	116,439	8,120	7%
PUBLIC WORKS	300,883	(5,683)	27,473	273,410	91%
STREETS	512,373	2,230	233,807	278,566	54%
PARKS & TREES	10,971	8,452	47,569	(36,598)	-
<b>Total</b>	<b>12,437,471</b>	<b>651,362</b>	<b>7,308,295</b>	<b>5,129,176</b>	<b>41%</b>



**City of Oroville**  
**February 2017**  
**General Fund Expense**

Budget Unit	Annual Budget	February Expense	Year to Date Expenditures	Budget Remaining	33% Remaining
ADMINISTRATION	45,522	1,872	17,640	27,882	61%
CITY ATTORNEY	225,019	33,607	138,600	86,419	38%
CITY CLERK	147,352	23,140	82,038	65,315	44%
CITY HALL	110,346	7,664	64,229	46,117	42%
ECO COMM ENHANCEMENT	47,696	2,577	23,054	24,642	52%
HUMAN RESOURCES	134,947	10,199	80,543	54,403	40%
PERSONNEL OFFICER	38,250	2,544	36,445	1,805	5%
INFORMATION TECHNOLOGY	395,481	23,433	211,336	184,145	47%
RISK MANAGEMENT	338,351	-	296,023	42,328	13%
COUNCIL	148,016	5,871	69,986	78,030	53%
MAYOR	35,463	2,197	20,503	14,960	42%
FINANCE	551,764	45,428	390,813	160,952	29%
TREASURER	34,827	2,545	20,637	14,190	41%
GENERAL GOVERNMENT	191,214	3,385	143,618	47,596	25%
PLANNING & DEVEL SVC	351,135	21,240	163,383	187,752	53%
BLDG CODE ENFORCEMENT	333,085	18,453	162,384	170,701	51%
POLICE	5,012,061	363,066	3,138,777	1,873,284	37%
MUNICIPAL LAW ENFORCEMENT	601,399	37,747	337,741	263,659	44%
ANIMAL CONTROL	326,500	47,156	235,982	90,518	28%
FIRE	2,748,871	192,117	1,809,991	938,880	34%
PW ADMIN	122,222	2,302	48,508	73,713	60%
STREETS	619,915	47,058	451,901	168,014	27%
PARKS & TREES	836,284	73,119	456,521	379,763	45%
<b>TOTALS</b>	<b>13,395,720</b>	<b>966,720</b>	<b>8,400,654</b>	<b>4,995,067</b>	<b>37%</b>



**City of Oroville**  
**March 2017**  
**General Fund Revenue**

Budget Unit	Annual Budget	March Revenue	Year to Date Revenue	Budget Remaining	25% Remaining
CITY CLERK	-	(1,246)	1,189	(1,189)	-
CITY HALL	-	-	359	(359)	-
FINANCE	-	958	4,134	(4,134)	-
GENERAL GOVERNMENT	10,233,475	608,599	6,908,872	3,324,603	32%
PLANNING & DEVEL SVC	167,007	10,231	75,054	91,953	55%
BLDG CODE ENFORCEMENT	617,274	29,976	377,524	239,750	39%
POLICE	470,929	2,321	166,714	304,215	65%
FIRE	124,559	27,984	144,423	(19,864)	-
PUBLIC WORKS	300,883	2,777	30,250	270,633	90%
STREETS	512,373	550	234,357	278,016	54%
PARKS & TREES	10,971	(3,451)	44,118	(33,147)	-
<b>Total</b>	<b>12,437,471</b>	<b>678,699</b>	<b>7,986,995</b>	<b>4,450,476</b>	<b>36%</b>



**City of Oroville**  
**March 2017**  
**General Fund Expense**

Budget Unit	Annual Budget	March Expense	Year to Date Expenditures	Budget Remaining	25% Remaining
ADMINISTRATION	45,522	2,442	20,082	25,440	56%
CITY ATTORNEY	225,019	23,159	161,760	63,259	28%
CITY CLERK	147,352	9,521	91,558	55,794	38%
CITY HALL	110,346	8,641	72,870	37,475	34%
ECO COMM ENHANCEMENT	47,696	3,899	26,953	20,743	43%
HUMAN RESOURCES	134,947	12,431	92,974	41,972	31%
PERSONNEL OFFICER	38,250	1,240	37,685	565	1%
INFORMATION TECHNOLOGY	395,481	26,726	238,063	157,419	40%
RISK MANAGEMENT	338,351	292	296,316	42,035	12%
COUNCIL	148,016	7,822	77,809	70,207	47%
MAYOR	35,463	1,902	22,405	13,058	37%
FINANCE	551,764	51,394	442,207	109,557	20%
TREASURER	34,827	2,046	22,684	12,144	35%
GENERAL GOVERNMENT	191,214	3,436	147,053	44,161	23%
PLANNING & DEVEL SVC	351,135	24,010	187,393	163,742	47%
BLDG CODE ENFORCEMENT	333,085	23,819	186,203	146,882	44%
POLICE	5,012,061	414,359	3,553,136	1,458,925	29%
MUNICIPAL LAW ENFORCEMENT	601,399	48,819	386,560	214,840	36%
ANIMAL CONTROL	326,500	22,990	258,972	67,528	21%
FIRE	2,748,871	282,667	2,092,659	656,213	24%
PW ADMIN	122,222	4,155	52,664	69,558	57%
STREETS	619,915	46,873	498,774	121,141	20%
PARKS & TREES	836,284	49,355	505,876	330,408	40%
<b>TOTALS</b>	<b>13,395,720</b>	<b>1,072,001</b>	<b>9,472,654</b>	<b>3,923,066</b>	<b>29%</b>

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: RUTH WRIGHT, DIRECTOR (530) 538-2410  
FINANCE DEPARTMENT**

**RE: AGREEMENT WITH SPYGLASS GROUP, LLC**

**DATE: APRIL 18, 2017**

**SUMMARY**

The Council may consider an Agreement with SpyGlass Group, LLC (SpyGlass) for telecommunications audit services.

**DISCUSSION**

SpyGlass would like the Council to consider the opportunity to audit the City's telecommunications billings and see if there is a possibility of costs to recover. SpyGlass will review our telecommunications agreements and our bills to determine that we have been charged properly. Telecommunications billings contain many taxes and fees and intricate sub-components. SpyGlass specializes in these types of audits and can potentially work with our telecommunications suppliers to recover any costs that may be incorrectly applied.

Fees charged by SpyGlass is 50% of any costs recovered.

Other services provided by SpyGlass are not considered in this Agreement.

**FISCAL IMPACT**

None, other than potential cost recovery.

**RECOMMENDATION**

Adopt Resolution No. 8599 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH SPYGLASS GROUP, LLC FOR TELECOMMUNICATION AUDIT SERVICES – (Agreement No. 3216).

**ATTACHMENTS**

A – Resolution No. 8599  
B – Agreement No. 3216



**CITY OF OROVILLE  
RESOLUTION NO. 8599**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND  
DIRECTING THE MAYOR TO EXECUTE AN AGREEMENT WITH SPYGLASS  
GROUP, LLC FOR TELECOMMUNICATION AUDIT SERVICES**

**(Agreement No. 3216)**

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

1. The Mayor is hereby authorized and directed to execute an Agreement with SpyGlass Group, LLC, for telecommunication audits services. A copy of the Agreement 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 April 18, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Donald Rust, Acting City Clerk



## SpyGlass Snapshot Audit Agreement

This agreement, effective as of the later of the dates of signature below ("Effective Date"), is between \_\_\_\_\_ ("Company"), and The SpyGlass Group, LLC, an Ohio limited liability company ("Auditor").

**1. Primary Audit Services.** Company is engaging Auditor as an independent contractor to analyze its primary telecommunications service accounts (local voice, long distance voice, data, Internet, and wireless) to seek cost recovery, service elimination and cost reduction recommendations. Auditor will deliver the recommendations to Company, implement recommendations that Company elects for Auditor to implement, and deliver a complete telecommunications inventory to Company.

While Auditor is performing its analysis, Company will not make changes or perform internal cost reduction analysis with respect to provider accounts which Company has included within the scope of Auditor's review.

**2. Fees.** Company will pay Auditor the applicable fee set forth below ONLY for Auditor recommendations implemented within twelve (12) months of Auditor delivering the recommendation to Company:

- 50% of any "Cost Recovery", as defined below
- ~~12 times any "Service Elimination Savings", as defined below~~
- ~~12 times any "Cost Reduction Savings", as defined below~~

"Cost Recovery" is any refund, credit or compensation received by Company relating to past services or charges.

"Service Elimination Savings" is any monthly cost reduction received by Company relating to cancellation of any service, including monthly usage cost reduction (calculated as the average of the last 2 months of usage costs associated with the cancelled service).

"Cost Reduction Savings" is any monthly cost reduction received by Company relating to the modification, consolidation or negotiation of any service, account or contract, including post discount usage rate improvement (calculated as the (a) decrease in post discount per unit pricing realized by Company for any service, times (b) the average of Company's last two (2) months usage levels measured in such units for the modified service).

**3. Invoicing and Payment.** Fees for Cost Recovery are due as a one-time payment within 10 days of verification that Company has been issued the refund, credit or compensation resulting in such fees. Fees for Service Elimination Savings and Cost Reduction Savings are due as a one-time payment within 10 days of verification that the cancellation or other activity resulting in the Service Elimination Savings or Cost Reduction Savings has been completed. Auditor may issue separate invoices as different fees are earned.

**4. Miscellaneous.** This agreement is governed by the laws of the State of California, without regard to principles of conflicts of law, and may be executed by facsimile and simultaneously in multiple counterparts. Company agrees that Auditor does not warranty the overall performance, Company satisfaction, or data accuracy of any telecommunications related carrier, provider, software manufacturer or vendor at any time whatsoever during or after the term of this agreement. Each person signing this agreement on behalf of a party represents that he or she has been duly authorized to sign this agreement and to bind the party on whose behalf this agreement is being signed by that signatory. **AUDITOR SHALL NOT BE LIABLE TO THE COMPANY FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR BUSINESS INTERRUPTION, WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT OR OTHERWISE, EVEN IF EITHER PARTY HAS BEEN WARNED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE IN ADVANCE. IN ADDITION, IN NO EVENT SHALL AUDITOR'S LIABILITY TO COMPANY EXCEED THE FEES ACTUALLY PAID BY COMPANY TO AUDITOR.**

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement as of the Effective Date.

**COMPANY**

**AUDITOR**

\_\_\_\_\_

The SpyGlass Group, LLC

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: Edward M. DeAngelo

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: RICK FARLEY, ENTERPRISE ZONE & BUSINESS ASSISTANCE  
COORDINATOR (530) 538-4307  
BUSINESS ASSISTANCE & HOUSING DEVELOPMENT DEPARTMENT  
DONALD RUST, DIRECTOR (530) 538-2433  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: COMMERCIAL LEASE AGREEMENT WITH BILL RHOADES AND COLBY  
FLOWERS DBA: STATE BARBER SHOP**

**DATE: April 18, 2017**

**SUMMARY**

The Council may consider a Commercial Lease Agreement (Agreement) with Bill Rhoades and Colby Flowers dba: State Barber Shop, for the rental of a commercial unit at the Historic State Theatre, 1455 Myers Street, Suite 1.

**DISCUSSION**

James Townsend has operated a barber shop at this Myers Street location for many years. He is retiring and Bill Rhoades and Colby Flowers have purchased the business from him and desire to continue operating the business at the same location and with the same name.

The new tenants, Bill Rhoades and Colby Flowers, have been in the barber business for many years also and have established clients.

The recommended terms of the new Agreement with State Baber Shop are the same as the terms in the Agreement entered into last month with Lisa Deery who leased the same square footage next door in the State Theatre at Suite 2. A summary of the Agreement is as follows:

Premises: 1455 Myers – Suite 1, approximately 615 sq. ft. (\$0.75 per sq.ft.)

Lease Term: 1 year with an option to renew annually for 2 years

Rent: \$461.25 per month / \$5,535 per year starting April 1, 2017

Security Deposit: \$1,200

The new rental rate of \$461.25 per month is a 92% increase over what the previous tenant paid of \$240 per month.

No tenant improvements are needed or proposed. Any future alterations, additions, or improvements made by or on behalf of tenant to the unit shall be subject to the City's prior written consent.

### **FISCAL IMPACT**

The tenant will provide monthly rental payments in the amount of \$461.25 to the City's General Fund for the term of the Agreement, initially one year, with the potential for two one year renewals.

### **RECOMMENDATIONS**

Adopt Resolution No. 8600 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A COMMERCIAL LEASE AGREEMENT WITH BILL RHOADES AND COLBY FLOWERS DBA: STATE BARBER SHOP, FOR THE OFFICE SPACE LOCATED AT 1455 MYERS STREET, SUITE 1 – (Agreement No. 3217).

### **ATTACHMENTS**

- A – Resolution No. 8600
- B - Agreement No. 3217
- C - State Theatre Commercial Units: Floor Plan

**CITY OF OROVILLE  
RESOLUTION NO. 8700**

**A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A COMMERCIAL LEASE AGREEMENT WITH BILL RHOADES AND COLBY FLOWERS DBA: STATE BARBER SHOP, FOR THE OFFICE SPACE LOCATED AT 1455 MYERS STREET, SUITE 1**

**(Agreement No. 3217)**

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

1. The Mayor is hereby authorized and directed to execute a Commercial Lease Agreement with Bill Rhoades and Colby Flowers dba: State Barber Shop, to rent the commercial space located at 1455 Myers Street, Suite1. A copy of the Agreement 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 April 18, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Donald Rust, Acting City Clerk

**CITY OF OROVILLE PUBLIC FACILITY  
LEASE AGREEMENT**

THIS LEASE AGREEMENT is made this 1st day of May, 2017, between the City of Oroville ("Landlord"), and Bill Rhoades and Colby Flowers DBA State Theatre Barber Shop ("Tenant").

**BUSINESS TERMS**

Landlord: **CITY OF OROVILLE**

Tenant: **BILL RHOADES AND COLBY FLOWERS DBA:  
STATE BARBER SHOP**

Premises: Historic State Theater (APN: 012-093-008-000)  
1455 Myers – Suite 1, approximately 615 sq. ft.

Permitted Use: See Table 26-34.020-1 of the Oroville Municipal Code  
"Allowed Uses in Mixed-Use Districts"

Current Zoning: Downtown Mixed-Use (MXD)

Term: 1 Year, 0 months, plus an option to renew annually for 2  
years, 0 months lease.

Renewal Option: The two (1) year options shall not be subject to a market  
rate adjustment. A market rate adjustment shall be applied  
upon a renewal of lease agreement at the beginning of Year  
four.

Base Rent: \$461.25 per month starting April 1, 2017

Deal NPV \$5,535 (\$461.25 x 12 months)

Percentage Rent: NONE

Net Lease: Tenant is to pay pro rata share for all taxes, insurances, and  
common area maintenance charges as subject to Paragraphs  
6, 8, and 9.

The tenant is responsible for all occupancy costs for the  
Premise as subject to Paragraph 7.

Security Deposit: \$1,200

Security Deposit is held to mitigate damage that may result to the Premise from business operations as subject to Paragraph 5. Deposit is returned in full with no interest when Premise has been vacated and inspected by the City of Oroville to assess its condition.

Rent Commencement: Rent, as subject to Paragraph 4, shall commence 45 days following execution of this Lease Agreement. Tenant shall pay Landlord its pro-rata share of rent for the first month rent commences for the Premise.

Possession: At execution of Lease Agreement by all parties, which requires approval of the City Council.

Condition of Premises: Notwithstanding the “Construction Allowance” section, the Landlord is to provide Tenant the Premises in its “as is” condition as subject to Paragraph 2. Tenant is willing to take the Premises in “as is” condition subject to conducting a thorough assessment of the condition of the Premises by Tenant’s contractors to determine if the “Construction Allowance” as set forth herein will be adequate to bring the Premises into good working order.

Any additional improvements over and above the “Construction Allowance” shall be at Tenant’s sole cost and expense as subject to Paragraph 13. A Tenant Improvement Plan shall be submitted to the City for approval prior to work being performed.

Construction Allowance: Not applicable. All associated costs with the mutually agreed upon Tenant improvements, and required permits, shall be the responsibility of the Tenant.

Building Signage: Signage shall be in conformance with the State Theatre sign criteria, the Zoning Code, all applicable sign regulations, and approved by the Landlord prior to installation or placement. All signage shall be at Tenant’s expense.

1. **Granting Clause.** In consideration of the obligation of Tenant to pay rent as herein provided and in consideration of the other terms, covenants, and conditions hereof, Landlord leases to Tenant, and Tenant takes from Landlord, the Premises, to have and to hold for the Lease Term, subject to the terms, covenants and conditions of this Lease.

2. **Acceptance of Premises.** Tenant shall accept the Premises in its condition as of the Commencement Date, subject to all applicable laws, ordinances, regulations, covenants and restrictions. Landlord has made no representation or warranty as to the suitability of the Premises for the conduct of Tenant's business, and Tenant waives any implied warranty that the Premises are suitable for Tenant's intended purposes. Except as provided in Paragraph 11, in no event shall Landlord have any obligation for any defects in the Premises or any limitation on its use. The taking of possession of the Premises shall be conclusive evidence that Tenant accepts the Premises and that the Premises were in good condition at the time possession was taken except for items that are Landlord's responsibility under Paragraph 11.

3. **Use.** The Premises shall be used only for the purposes of receiving, storing, shipping and selling of products, materials and merchandise made and/or distributed by Tenant and for such other lawful purposes as may be incidental thereto. Tenant must comply with the City Zoning Code and all applicable portions of the City Municipal Code. Tenant shall not conduct or give notice of any auction, liquidation, or going out of business sale on the Premises, without Landlord's prior written consent, which Landlord shall not unreasonably withhold. Tenant will use the Premises in a careful, safe and proper manner and will not commit waste, overload the floor or structure of the Premises or subject the Premises to use that would damage the Premises. Tenant shall not permit any objectionable or unpleasant odors, smoke, dust, gas, noise, or vibrations to emanate from the Premises, or take any other action that would constitute a nuisance or would disturb, unreasonably interfere with, or endanger Landlord or any tenants of the Premises. Tenant, at its sole expense, shall use and occupy the Premises in compliance with all laws, including, without limitation, the Americans With Disabilities Act, orders, judgments, ordinances, regulations, codes, directives, permits, licenses, covenants and restrictions now or hereafter applicable to the Premises (collectively, "Legal Requirements") unless such Legal Requirements are met due to their "grandfathered" nature. Tenant shall, at its expense, make any alterations or modifications, within or without the Premises, that are required by Legal Requirements related to Tenant's use or occupation of the Premises unless such Legal Requirements are met due to their "grandfathered" nature. Tenant must receive Landlord's written authorization and approval for all alteration or modifications to the Premises.

4. **Base Rent.** Tenant shall pay Base Rent in the amount set forth above. The first month's Base Rent, the Security Deposit, and the first monthly installment of estimated Operating Expenses (as hereafter defined) shall be due and payable on the date hereof, and Tenant promises to pay to Landlord in advance, without demand, deduction or set-off, monthly installments of Base Rent on or before the first day of each calendar month succeeding the Commencement Date. Payments of Base Rent for any fractional calendar month shall be prorated. All payments required to be made by Tenant to Landlord hereunder (or to such other party as Landlord may from time to time specify in writing) shall be made by check of immediately available funds before 4:00 p.m., Pacific Time, at the City of Oroville, Finance Department, 1735 Montgomery Street, Oroville, California, 95965, or as Landlord may from time to time designate to Tenant in writing. The obligation of Tenant to pay Base Rent and other sums to Landlord and the obligations of Landlord under this Lease are independent obligations. Tenant shall have no right at any time to abate, reduce, or set-off any rent due hereunder except as may be expressly provided in this Lease. If Tenant is delinquent in any monthly installment of Base Rent for more than 5 business days, Tenant shall pay to Landlord on demand a late charge equal to 5 percent of such delinquent sum. The provision for such late charge shall be in

addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as a penalty.

5. **Security Deposit.** Tenant shall deposit with the Landlord the sum set forth above as "Security Deposit" in three monthly installments of \$400. The first monthly installment shall be due concurrently with the execution of this Lease. The second and third monthly installments shall be due with Tenant's payments beginning with the commencement of rent. The security deposit shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions to be performed by Tenant. The security deposit shall not be assigned, transferred or encumbered by Tenant, and any attempt to do so shall not be binding upon Landlord. If, at any time during the term of this Lease, any rent or portion of any rent payable by Tenant to Landlord shall not be timely paid, then, Landlord may, at its option (but shall not be required to), appropriate and apply any portion of the security deposit to the payment of such overdue rent. Under no circumstances shall Tenant apply the security deposit as Rent for the final months of the Lease. In the event of the failure of Tenant to keep and perform any of the terms, covenants and conditions of this Lease to be kept and performed by Tenant, then, at the option of Landlord, Landlord may (but shall not be required to) appropriate and apply the security deposit, or so much so as may be necessary, to compensate Landlord for all loss or damage sustained or suffered by Landlord due to such default on the part of Tenant. Should the entire security deposit, or any portion thereof, be appropriated and applied by Landlord for the purposes set forth herein, or for any other lawful purpose, then Tenant shall, within 10 days after written demand by Landlord, deliver to Landlord a sufficient sum in cash to restore the security deposit to the original sum of the security deposit. Landlord shall not be obligated to keep the security deposit in a separate fund, but may commingle the security deposit with its own funds. The failure of Tenant to maintain the security deposit in the initial amount as stated above shall constitute a failure to pay rent and shall carry with it the consequences set forth in this Lease for failure to pay rent. Upon expiration of the Lease, the security deposit, if not applied toward the payment of Rent in arrears or toward the payment of damages suffered by Landlord by reason of Tenant's breach of this Lease, is to be returned to Tenant without interest, but in no event shall the security deposit be returned until Tenant has vacated the Leased Premises, delivered possession thereof to Landlord, and fully satisfied Tenant's obligations under this Lease.

6. **Operating Expense Payments.** Intentionally Omitted.

7. **Utilities.** Tenant shall pay for all water, gas, electricity, heat, light, power, telephone, sprinkler services, refuse and trash collection, and other utilities and services used on the Premises, all maintenance charges for utilities, and any other similar charges for utilities imposed by any governmental entity or utility provider, together with any taxes, penalties, surcharges or the like pertaining to Tenant's use of the Premises. Landlord may cause at Tenant's expense any utilities to be separately metered or charged directly to Tenant by the provider. Tenant shall pay its share of all charges for jointly metered utilities based upon consumption, as reasonably determined by Landlord. No interruption or failure of utilities shall result in the termination of this Lease or the abatement of rent.

8. **Taxes.** If any such tax or excise is levied or assessed directly against Tenant, including but not limited to possessory tax, then Tenant shall be responsible for and shall



pay the same at such times and in such manner as the taxing authority shall require. Tenant shall be liable for all taxes levied or assessed against any personal property or fixtures placed in the Premises, whether levied or assessed against Landlord or Tenant.

TENANT INITIALS \_\_\_\_\_

9. **Insurance.** Landlord shall maintain all risk property insurance covering the full replacement cost of the Building. Landlord may, but is not obligated to, maintain such other insurance and additional coverages as it may deem necessary, including, but not limited to, commercial liability insurance and rent loss insurance. All such insurance shall be included as part of the Operating Expenses charged to Tenant. The Premise or Building may be included in a blanket policy (in which case the cost of such insurance allocable to the Premise or Building will be determined by Landlord based upon the insurer's cost calculations). Tenant shall also reimburse Landlord for any increased premiums or additional insurance which Landlord reasonably deems necessary as a result of Tenant's use of the Premises.

Tenant, at its expense, shall maintain during the Lease Term: all risk property insurance covering the full replacement cost of all property and improvements installed or placed in the Premises by Tenant at Tenant's expense; workers' compensation insurance with no less than the minimum limits required by law; employer's liability insurance with such limits as required by law; and commercial liability insurance, with a minimum limit of \$1,000,000 per occurrence and a minimum umbrella limit of \$1,000,000, for a total minimum combined general liability and umbrella limit of \$2,000,000 (together with such additional umbrella coverage as Landlord may reasonably require) for property damage, personal injuries, or deaths of persons occurring in or about the Premises. Landlord may from time to time require reasonable increases in any such limits. The commercial liability policies shall name Landlord as an additional insured, insure on an occurrence and not a claims-made basis, be issued by insurance companies which are reasonably acceptable to Landlord, not be cancelable unless 30 days' prior written notice shall have been given to Landlord, contain a hostile fire endorsement and a contractual liability endorsement and provide primary coverage to Landlord (any policy issued to Landlord providing duplicate or similar coverage shall be deemed excess over Tenant's policies). SUCH POLICIES OR CERTIFICATES THEREOF SHALL BE DELIVERED TO LANDLORD BY TENANT UPON COMMENCEMENT OF THE LEASE TERM AND UPON EACH RENEWAL OF SAID INSURANCE.

The all-risk property insurance obtained by Landlord and Tenant shall include a waiver of subrogation by the insurers and all rights based upon an assignment from its insured, against Landlord or Tenant, their officers, directors, employees, managers, agents, invitees and contractors, in connection with any loss or damage thereby insured against. Neither party nor its officers, directors, employees, managers, agents, invitees or contractors shall be liable to the other for loss or damage caused by any risk coverable by all risk property insurance, and each party waives any claims against the other party, and its officers, directors, employees, managers, agents, invitees and contractors for such loss or damage. The failure of a party to insure its property shall not void this waiver. Landlord and its agents, employees and contractors shall not be liable for, and Tenant hereby waives all claims against such parties for, business interruption and losses occasioned thereby sustained by Tenant or any person claiming through Tenant

resulting from any accident or occurrence in or upon the Premises from any cause whatsoever, including without limitation, damage caused in whole or in part, directly or indirectly, by the negligence of Landlord or its agents, employees or contractors.

10. **Construction Allowance.** All construction costs associated with the mutually agreed Tenant Improvements and required permits will be handled by the Tenant.

11. **Landlord's Repairs.** Landlord shall maintain, at its expense, the structural soundness of the roof, foundation, and exterior walls of the Building in good repair, reasonable wear and tear and uninsured losses and damages caused by Tenant, its agents and contractors excluded. The term "walls" as used in this Paragraph 11 shall not include windows, glass or plate glass, doors or overhead doors, special store fronts, or office entries. Tenant shall promptly give Landlord written notice of any repair required by Landlord pursuant to this Paragraph 11, after which Landlord shall have a reasonable opportunity to repair.

12. **Tenant's Repairs.** Landlord, at Tenant's expense as provided in Paragraph 6, shall maintain in good repair and condition. Subject to Landlord's obligation in Paragraph 11 and subject to Paragraphs 9 and 16, Tenant, at its expense, shall repair, replace and maintain in good condition all portions of the Premises and all areas, improvements and systems exclusively serving the Premises including, without limitation, entries, doors, ceilings, windows, interior walls, and the interior side of demising walls. Such repair and replacements include capital expenditures and repairs whose benefit may extend beyond the Term. The scope of services and contractors under such maintenance contracts shall be reasonably approved by Landlord. If Tenant fails to perform any repair or replacement for which it is responsible, Landlord may perform such work and be reimbursed by Tenant within 10 days after demand therefore. Subject to Paragraphs 9 and 16, Tenant shall bear the full cost of any repair or replacement to any part of the Building or Premise that results from damage caused by Tenant, its agents, contractors, or invitees and any repair that benefits only the Premises.

13. **Tenant-Made Alterations and Trade Fixtures.** Any alterations, additions, or improvements made by or on behalf of Tenant to the Premises ("Tenant-Made Alterations") shall be subject to Landlord's prior written consent. Tenant shall cause, at its expense, all Tenant-Made Alterations to comply with insurance requirements and with Legal Requirements and shall construct at its expense any alteration or modification required by Legal Requirements as a result of any Tenant-Made Alterations. All Tenant-Made Alterations shall be constructed in a good and workmanlike manner by contractors reasonably acceptable to Landlord and only good grades of materials shall be used. All plans and specifications for any Tenant-Made Alterations shall be submitted to Landlord for its approval. Landlord may monitor construction of the Tenant-Made Alterations. Tenant shall provide Landlord with the identities and mailing addresses of all persons performing work or supplying materials, prior to beginning such construction, and Landlord may post on and about the Premises notices of non-responsibility pursuant to applicable law. Tenant shall furnish security or make other arrangements satisfactory to Landlord to assure payment for the completion of all work free and clear of liens and shall provide certificates of insurance for workers' compensation and other coverage in amounts and from an insurance company satisfactory to Landlord protecting Landlord against liability for personal injury or property damage during construction. Upon completion of any Tenant-Made Alterations, Tenant shall deliver to Landlord sworn statements

setting forth the names of all contractors and subcontractors who did work on the Tenant-Made Alterations and final lien waivers from all such contractors and subcontractors. Upon surrender of the Premises, all Tenant-Made Alterations and any leasehold improvements constructed by Landlord or Tenant shall remain on the Premises as Landlord's property, except to the extent Landlord requires removal at Tenant's expense of any such items or Landlord and Tenant have otherwise agreed in writing in connection with Landlord's consent to any Tenant-Made Alterations. Tenant shall repair any damage caused by such removal.

Tenant, at its own cost and expense and without Landlord's prior approval, may paint interior spaces, erect such shelves, bins, machinery and trade fixtures (collectively "Trade Fixtures") in the ordinary course of its business provided that such items do not alter the basic character of the Premises, do not overload or damage the Premises, and may be removed without injury to the Premises, and the construction, erection, and installation thereof complies with all Legal Requirements and with Landlord's requirements set forth above. Tenant shall remove its Trade Fixtures and shall repair any damage caused by such removal.

14. **Signs.** Tenant shall not make any changes to the exterior of the Premises, install any exterior lights, decorations, balloons, flags, pennants, banners, or painting, or erect or install any signs, windows or door lettering, placards, decorations, or advertising media of any type which can be viewed from the exterior of the Premises, without Landlord's prior written consent. Upon surrender or vacation of the Premises, Tenant shall have removed all signs and repair, paint, and/or replace the building fascia surface to which its signs are attached. Tenant shall obtain all applicable governmental permits and approvals for sign and exterior treatments. All signs, decorations, advertising media, blinds, draperies and other window treatment or bars or other security installations visible from outside the Premises shall be subject to Landlord's approval and conform in all respects to Landlord's requirements.

15. **Parking.** No off-street parking is provided by Landlord. Public parking is available to Tenant in City owned parking lots located near Premises.

16. **Restoration.** If at any time during the Lease Term the Premises are damaged by a fire or other casualty, Landlord shall notify Tenant within 60 days after such damage as to the amount of time Landlord reasonably estimates it will take to restore the Premises. If the restoration time is estimated to exceed 6 months, either Landlord or Tenant may elect to terminate this Lease upon notice to the other party given no later than 30 days after Landlord's notice. If neither party elects to terminate this Lease or if Landlord estimates that restoration will take 6 months or less, then, subject to receipt of sufficient insurance proceeds, Landlord shall promptly restore the Premises excluding the improvements installed by Tenant or by Landlord and paid by Tenant, subject to delays arising from the collection of insurance proceeds or from Force Majeure events. Tenant at Tenant's expense shall promptly perform, subject to delays arising from the collection of insurance proceeds, or from Force Majeure events, all repairs or restoration not required to be done by Landlord and shall promptly re-enter the Premises and commence doing business in accordance with this Lease. Notwithstanding the foregoing, either party may terminate this Lease if the Premises are damaged during the last year of the Lease Term and Landlord reasonably estimates that it will take more than one month to repair such damage. Base Rent and Operating Expenses shall be abated for the period of repair and restoration in the proportion which the area of the Premises, if any, which is not usable by

Tenant bears to the total area of the Premises. Such abatement shall be the sole remedy of Tenant, and except as provided herein, Tenant waives any right to terminate the Lease by reason of damage or casualty loss.

17. **Condemnation.** If any part of the Premises should be taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof (a "Taking" or "Taken"), and the Taking would prevent or materially interfere with Tenant's use of the Premises or in Landlord's judgment would materially interfere with or impair its ownership or operation of the Premise, then upon written notice by Landlord this Lease shall terminate and Base Rent shall be apportioned as of said date. If part of the Premises shall be Taken, and this Lease is not terminated as provided above, the Base Rent payable hereunder during the unexpired Lease Term shall be reduced to such extent as may be fair and reasonable under the circumstances. In the event of any such Taking, Landlord shall be entitled to receive the entire price or award from any such Taking without any payment to Tenant, and Tenant hereby assigns to Landlord Tenant's interest, if any, in such award. Tenant shall have the right, to the extent that same shall not diminish Landlord's award, to make a separate claim against the condemning authority (but not Landlord) for such compensation as may be separately awarded or recoverable by Tenant for moving expenses and damage to Tenant's Trade Fixtures, if a separate award for such items is made to Tenant.

18. **Assignment and Subletting.** Without Landlord's prior written consent, which Landlord shall not unreasonably withhold, Tenant shall not assign this Lease or sublease the Premises or any part thereof or mortgage, pledge, or hypothecate its leasehold interest or grant any concession or license within the Premises and any attempt to do any of the foregoing shall be void and of no effect. For purposes of this paragraph, a transfer of the ownership interests resulting in a change of control of Tenant shall be deemed an assignment of this Lease. Tenant shall reimburse Landlord for all of Landlord's reasonable out-of-pocket expenses in connection with any assignment or sublease in an amount not to exceed \$1,500. Upon Landlord's receipt of Tenant's written notice of a desire to assign or sublet the Premises, or any part thereof (other than to a Tenant Affiliate), Landlord may, by giving written notice to Tenant within 15 days after receipt of Tenant's notice, terminate this Lease with respect to the space described in Tenant's notice, as of the date specified in Tenant's notice for the commencement of the proposed assignment or sublease. If Landlord so terminates the Lease, Landlord may enter into a lease directly with the proposed sublessee or assignee. Tenant may withdraw its notice to sublease or assign by notifying Landlord within 10 days after Landlord has given Tenant notice of such termination, in which case the Lease shall not terminate but shall continue.

It shall be reasonable for the Landlord to withhold its consent to any assignment or sublease in any of the following instances: (i) an Event of Default has occurred and is continuing that would not be cured upon the proposed sublease or assignment; (ii) the assignee or sublessee does not have a net worth which is consistent with net worth of other tenant's which Landlord is entering into leases with in the Premise; (iii) the intended use of the Premises by the assignee or sublessee is not consistent with the use provision herein; (iv) occupancy of the Premises by the assignee or sublessee would, in Landlord's opinion, violate an agreement binding upon Landlord with regard to the identity of tenants, usage in the Premise, or similar matters; (v) the identity or business reputation of the assignee or sublessee will, in the good faith

judgment of Landlord, tend to damage the goodwill or reputation of the Premise; (vi) the assignment or sublet is to another tenant in the Premise and is at rates which are below those charged by Landlord for comparable space in the Premise and Landlord has space available in the Premise to accommodate the tenant's needs; (vii) in the case of a sublease, the subtenant has not acknowledged that the Lease controls over any inconsistent provision in the sublease; (viii) the proposed assignee or sublessee is a governmental agency; or (ix) there is vacant space in the Premise suitable for lease to the proposed sublessee or assignee. Tenant and Landlord acknowledge that each of the foregoing criteria are reasonable as of the date of execution of this Lease. The foregoing criteria shall not exclude any other reasonable basis for Landlord to refuse its consent to such assignment or sublease. Any approved assignment or sublease shall be expressly subject to the terms and conditions of this Lease. Tenant shall provide to Landlord all information concerning the assignee or sublessee as Landlord may request.

Notwithstanding any assignment or subletting, Tenant shall at all times remain fully responsible and liable for the payment of the rent and for compliance with all of Tenant's other obligations under this Lease (regardless of whether Landlord's approval has been obtained for any such assignments or sublettings). In the event that the rent due and payable by a sublessee or assignee (or a combination of the rental payable under such sublease or assignment plus any bonus or other consideration therefore or incident thereto) exceeds the rental payable under this Lease, then Tenant shall be bound and obligated to pay Landlord as additional rent hereunder fifty percent (50%) of such excess rental and other excess consideration ("Profit") within 10 days following receipt of each month's Profit thereof by Tenant. Profit shall be further defined to take into consideration all of Tenant's costs in any assignment of subletting including but not limited to real estate commissions, legal fees, marketing costs, any improvement allowance or other economic concession (planning allowance, moving expenses, etc.), paid by Tenant to sublessee or assignee.

If this Lease be assigned or if the Premises be subleased (whether in whole or in part) or in the event of the mortgage, pledge, or hypothecation of Tenant's leasehold interest or grant of any concession or license within the Premises or if the Premises be occupied in whole or in part by anyone other than Tenant, then upon a default by Tenant hereunder Landlord may collect rent from the assignee, sublessee, mortgagee, pledgee, party to whom the leasehold interest was hypothecated, concessionee or licensee or other occupant and, except to the extent set forth in the preceding paragraph, apply the amount collected to the next rent payable hereunder; and all such rentals collected by Tenant shall be held in trust for Landlord and immediately forwarded to Landlord. No such transaction or collection of rent or application thereof by Landlord, however, shall be deemed a waiver of these provisions or a release of Tenant from the further performance by Tenant of its covenants, duties, or obligations hereunder.

19. **Indemnification.** Except for the negligence of Landlord, its agents, employees or contractors, and to the extent permitted by law, Tenant agrees to indemnify, defend and hold harmless Landlord, and Landlord's agents, employees and contractors, from and against any and all losses, liabilities, damages, costs and expenses (including attorneys' fees) resulting from claims by third parties for injuries to any person and damage to or theft or misappropriation or loss of property occurring in or about the Premise and arising from the use and occupancy of the Premises or from any activity, work, or thing done, permitted or suffered by Tenant in or about the Premises or due to any other act or omission of Tenant, its subtenants, assignees,

invitees, employees, contractors and agents. The furnishing of insurance required hereunder shall not be deemed to limit Tenant's obligations under this Paragraph 19.

20. **Inspection and Access.** Landlord and its agents, representatives, and contractors may enter the Premises with prior notice at any reasonable time to inspect the Premises and to make such repairs as may be required or permitted pursuant to this Lease and for any other business purpose. Landlord and Landlord's representatives may enter the Premises during business hours for the purpose of showing the Premises to prospective purchasers and, during the last 4 months of the Lease Term, to prospective tenants. Landlord may erect or post a suitable sign on the Premises stating the Premises are available to let. Landlord may grant easements, make public dedications, designate common areas and create restrictions on or about the Premises, provided that no such easement, dedication, designation or restriction materially interferes with Tenant's use or occupancy of the Premises. At Landlord's request, Tenant shall execute such instruments as may be necessary for such easements, dedications or restrictions.

21. **Quiet Enjoyment.** If Tenant shall perform all of the covenants and agreements herein required to be performed by Tenant, Tenant shall, subject to the terms of this Lease, at all times during the Lease Term, have peaceful and quiet enjoyment of the Premises against any person claiming by, through or under Landlord.

22. **Surrender.** Upon termination of the Lease Term or earlier termination of Tenant's right of possession, Tenant shall surrender the Premises to Landlord in the same condition as received, broom clean, ordinary wear and tear and casualty loss and condemnation covered by Paragraphs 16 and 17 excepted. Any Trade Fixtures, Tenant-Made Alterations and property not so removed by Tenant as permitted or required herein shall be deemed abandoned and may be stored, removed, and disposed of by Landlord at Tenant's expense, and Tenant waives all claims against Landlord for any damages resulting from Landlord's retention and disposition of such property. All obligations of Tenant hereunder not fully performed as of the termination of the Lease Term shall survive the termination of the Lease Term, including without limitation, indemnity obligations, payment obligations with respect to Operating Expenses and obligations concerning the condition and repair of the Premises.

23. **Holding Over.** If Tenant retains possession of the Premises after the termination of the Lease Term, unless otherwise agreed in writing, such possession shall be subject to immediate termination by Landlord at any time, and all of the other terms and provisions of this Lease (excluding any expansion or renewal option or other similar right or option) shall be applicable during such holdover period, except that Tenant shall pay Landlord from time to time, upon demand, as Base Rent for the holdover period, an amount equal to 150 percent the Base Rent in effect on the termination date, computed on a monthly basis for each month or part thereof during such holding over. All other payments shall continue under the terms of this Lease. In addition, Tenant shall be liable for all damages incurred by Landlord as a result of such holding over. No holding over by Tenant, whether with or without consent of Landlord, shall operate to extend this Lease except as otherwise expressly provided, and this Paragraph 23 shall not be construed as consent for Tenant to retain possession of the Premises. For purposes of this Paragraph 23, "possession of the Premises" shall continue until, among other things, Tenant has delivered all keys to the Premises to Landlord, Landlord has complete and total dominion and control over the Premises, and Tenant has completely fulfilled all obligations

required of it upon termination of the Lease as set forth in this Lease, including, without limitation, those concerning the condition and repair of the Premises.

24. **Events of Default.** Each of the following events shall be an event of default ("Event of Default") by Tenant under this Lease:

(i) Tenant shall fail to pay any installment of Base Rent or any other payment required herein when due, and such failure shall continue for a period of 5 business days from the date such payment was due.

(ii) Tenant or any guarantor or surety of Tenant's obligations hereunder shall (A) make a general assignment for the benefit of creditors; (B) commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as a debtor or to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or of any substantial part of its property (collectively a "proceeding for relief"); (C) become the subject of any proceeding for relief which is not dismissed within 60 days of its filing or entry; or (D) die or suffer a legal disability (if Tenant, guarantor, or surety is an individual) or be dissolved or otherwise fail to maintain its legal existence (if Tenant, guarantor or surety is a corporation, partnership or other entity).

(iii) Any insurance required to be maintained by Tenant pursuant to this Lease shall be cancelled or terminated or shall expire or shall be reduced or materially changed, except, in each case, as permitted in this Lease.

(iv) Tenant shall not occupy or shall vacate the Premises or shall fail to continuously operate its business at the Premises for the permitted use set forth herein, whether or not Tenant is in monetary or other default under this Lease. Tenant's vacating of the Premises shall not constitute an Event of Default if, prior to vacating the Premises, Tenant has made arrangements reasonably acceptable to Landlord to (a) insure that Tenant's insurance for the Premises will not be voided or cancelled with respect to the Premises as a result of such vacancy, (b) insure that the Premises are secured and not subject to vandalism, and (c) insure that the Premises will be properly maintained after such vacation. Tenant shall inspect the Premises at least once each month and report monthly in writing to Landlord on the condition of the Premises.

(v) There shall occur any assignment, subleasing or other transfer of Tenant's interest in or with respect to this Lease except as otherwise permitted in this Lease.

(vi) Tenant shall fail to discharge any lien placed upon the Premises in violation of this Lease within 30 days after Tenant's receipt of notice of any such lien or encumbrance is filed against the Premises.

(vii) Tenant shall fail to comply with any provision of this Lease other than those specifically referred to in this Paragraph 24, and except as otherwise expressly provided herein, such default shall continue for more than 30 days after Landlord shall have given Tenant written notice of such default.

25. **Landlord's Remedies.** Upon each occurrence of an Event of Default and so long as such Event of Default shall be continuing, Landlord may at any time thereafter at its election: terminate this Lease or Tenant's right of possession, (but Tenant shall remain liable as hereinafter provided) and/or pursue any other remedies at law or in equity. Upon the termination of this Lease or termination of Tenant's right of possession, it shall be lawful for Landlord, without formal demand or notice of any kind, to re-enter the Premises by summary dispossession proceedings or any other action or proceeding authorized by law and to remove Tenant and all persons and property therefrom. If Landlord re-enters the Premises, Landlord shall have the right to keep in place and use, or remove and store, all of the furniture, fixtures and equipment at the Premises.

Except as otherwise provided in the next paragraph, if Tenant breaches this Lease and abandons the Premises prior to the end of the term hereof, or if Tenant's right to possession is terminated by Landlord because of an Event of Default by Tenant under this Lease, this Lease shall terminate. Upon such termination, Landlord may recover from Tenant the following, as provided in Section 1951.2 of the Civil Code of California: (i) the worth at the time of award of the unpaid Base Rent and other charges under this Lease that had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the reasonable value of the unpaid Base Rent and other charges under this Lease which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; (iii) the worth at the time of the award by which the reasonable value of the unpaid Base Rent and other charges under this Lease for the balance of the term of this Lease after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result therefrom. As used herein, the following terms are defined: (a) the "worth at the time of award" of the amounts referred to in Sections (i) and (ii) is computed by allowing interest at the lesser of 18 percent per annum or the maximum lawful rate. The "worth at the time of award" of the amount referred to in Section (iii) is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent; (b) the "time of award" as used in clauses (i), (ii), and (iii) above is the date on which judgment is entered by a court of competent jurisdiction; (c) The "reasonable value" of the amount referred to in clause (ii) above is computed by determining the mathematical product of (1) the "reasonable annual rental value" (as defined herein) and (2) the number of years, including fractional parts thereof, between the date of termination and the time of award. The "reasonable value" of the amount referred to in clause (iii) is computed by determining the mathematical product of (1) the annual Base Rent and other charges under this Lease and (2) the number of years including fractional parts thereof remaining in the balance of the term of this Lease after the time of award.

Even though Tenant has breached this Lease and abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all its rights and remedies under this Lease, including the right to recover rent as it becomes due. This remedy is intended to be the remedy described in California Civil Code Section 1951.4 and the following provision from such Civil Code Section is hereby repeated: "The Lessor has the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover



rent as it becomes due, if lessee has right to sublet or assign, subject only to reasonable limitations)." Any such payments due Landlord shall be made upon demand therefor from time to time and Tenant agrees that Landlord may file suit to recover any sums falling due from time to time. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect in writing to terminate this Lease for such previous breach.

Exercise by Landlord of any one or more remedies hereunder granted or otherwise available shall not be deemed to be an acceptance of surrender of the Premises and/or a termination of this Lease by Landlord, whether by agreement or by operation of law, it being understood that such surrender and/or termination can be effected only by the written agreement of Landlord and Tenant. Any law, usage, or custom to the contrary notwithstanding, Landlord shall have the right at all times to enforce the provisions of this Lease in strict accordance with the terms hereof; and the failure of Landlord at any time to enforce its rights under this Lease strictly in accordance with same shall not be construed as having created a custom in any way or manner contrary to the specific terms, provisions, and covenants of this Lease or as having modified the same. Tenant and Landlord further agree that forbearance or waiver by Landlord to enforce its rights pursuant to this Lease or at law or in equity, shall not be a waiver of Landlord's right to enforce one or more of its rights in connection with any subsequent default. A receipt by Landlord of rent or other payment with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by Landlord. To the greatest extent permitted by law, Tenant waives the service of notice of Landlord's intention to re-enter as provided for in any statute, or to institute legal proceedings to that end, and also waives all right of redemption in case Tenant shall be dispossessed by a judgment or by warrant of any court or judge. The terms "enter," "re-enter," "entry" or "re-entry," as used in this Lease, are not restricted to their technical legal meanings. Any reletting of the Premises shall be on such terms and conditions as Landlord in its sole discretion may determine (including without limitation a term different than the remaining Lease Term, rental concessions, alterations and repair of the Premises, lease of less than the entire Premises to any tenant and leasing any or all other portions of the Premise before reletting the Premises). Landlord shall not be liable, nor shall Tenant's obligations hereunder be diminished because of, Landlord's failure to relet the Premises or collect rent due in respect of such reletting.

26. **Tenant's Remedies/Limitation of Liability.** Landlord shall not be in default hereunder unless Landlord fails to perform any of its obligations hereunder within 30 days after written notice from Tenant specifying such failure (unless such performance will, due to the nature of the obligation, require a period of time in excess of 30 days, then after such period of time as is reasonably necessary). All obligations of Landlord hereunder shall be construed as covenants, not conditions; and, except as may be otherwise expressly provided in this Lease, Tenant may not terminate this Lease for breach of Landlord's obligations hereunder. All obligations of Landlord under this Lease will be binding upon Landlord only during the period of its ownership of the Premises and not thereafter. The term "Landlord" in this Lease shall mean only the owner, for the time being of the Premises, and in the event of the transfer by such owner of its interest in the Premises, such owner shall thereupon be released and discharged from all obligations of Landlord thereafter accruing, but such obligations shall be binding during the Lease Term upon each new owner for the duration of such owner's ownership. Any liability of Landlord under this Lease shall be limited solely to its interest in the Premise, and in no event

shall any personal liability be asserted against Landlord in connection with this Lease nor shall any recourse be had to any other property or assets of Landlord.

27. **Waiver of Jury Trial.** TENANT AND LANDLORD WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN LANDLORD AND TENANT ARISING OUT OF THIS LEASE OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO.

28. **Subordination.** This Lease and Tenant's interest and rights hereunder are and shall be subject and subordinate at all time to the lien of any mortgage, now existing or hereafter created on or against the Premise or the Premises, and all amendments, restatements, renewals, modifications, consolidations, refinancing, assignments and extensions thereof, without the necessity of any further instrument or act on the part of Tenant. Tenant agrees, at the election of the holder of any such mortgage, to attorn to any such holder. Tenant agrees upon demand to execute, acknowledge and deliver such instruments, confirming such subordination and such instruments of attornment as shall be requested by any such holder. Notwithstanding the foregoing, any such holder may at any time subordinate its mortgage to this Lease, without Tenant's consent, by notice in writing to Tenant, and thereupon this Lease shall be deemed prior to such mortgage without regard to their respective dates of execution, delivery or recording and in that event such holder shall have the same rights with respect to this Lease as though this Lease had been executed prior to the execution, delivery and recording of such mortgage and had been assigned to such holder. The term "mortgage" whenever used in this Lease shall be deemed to include deeds of trust, security assignments and any other encumbrances, and any reference to the "holder" of a mortgage shall be deemed to include the beneficiary under a deed of trust.

29. **Mechanic's Liens.** Tenant has no express or implied authority to create or place any lien or encumbrance of any kind upon, or in any manner to bind the interest of Landlord or Tenant in, the Premises or to charge the rentals payable hereunder for any claim in favor of any person dealing with Tenant, including those who may furnish materials or perform labor for any construction or repairs. Tenant covenants and agrees that it will pay or cause to be paid all sums legally due and payable by it on account of any labor performed or materials furnished in connection with any work performed on the Premises and that it will save and hold Landlord harmless from all loss, cost or expense based on or arising out of asserted claims or liens against the leasehold estate or against the interest of Landlord in the Premises or under this Lease. Tenant shall give Landlord immediate written notice of the placing of any lien or encumbrance against the Premises and cause such lien or encumbrance to be discharged within 30 days of the filing or recording thereof; provided, however, Tenant may contest such liens or encumbrances as long as such contest prevents foreclosure of the lien or encumbrance and Tenant causes such lien or encumbrance to be bonded or insured over in a manner satisfactory to Landlord within such 30-day period. Landlord may require tenant to provide to Landlord all documents to establish payment by Tenant for all work performed by third parties.

30. **Estoppel Certificates.** Tenant agrees, from time to time, within 10 days after request of Landlord, to execute and deliver to Landlord, or Landlord's designee, any estoppel certificate requested by Landlord, stating that this Lease is in full force and effect, the

date to which rent has been paid, that Landlord is not in default hereunder (or specifying in detail the nature of Landlord's default), the termination date of this Lease and such other matters pertaining to this Lease as may be requested by Landlord. Tenant's obligation to furnish each estoppel certificate in a timely fashion is a material inducement for Landlord's execution of this Lease. No cure or grace period provided in this Lease shall apply to Tenant's obligations to timely deliver an estoppel certificate.

31. **Environmental Requirements.** Except for Hazardous Material contained in products used by Tenant in de minimis quantities for ordinary cleaning and office purposes, Tenant shall not permit or cause any party to bring any Hazardous Material upon the Premises or transport, store, use, generate, manufacture or release any Hazardous Material in or about the Premises without Landlord's prior written consent. Tenant, at its sole cost and expense, shall operate its business in the Premises in strict compliance with all Environmental Requirements and shall remediate in a manner satisfactory to Landlord any Hazardous Materials released on or from the Premise by Tenant, its agents, employees, contractors, subtenants or invitees. Tenant shall complete and certify to disclosure statements as requested by Landlord from time to time relating to Tenant's transportation, storage, use, generation, manufacture or release of Hazardous Materials on the Premises. The term "Environmental Requirements" means all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, orders or other similar enactments of any governmental authority or agency regulating or relating to health, safety, or environmental conditions on, under, or about the Premises or the environment, including without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; and all state and local counterparts thereto, and any regulations or policies promulgated or issued thereunder. The term "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant listed or defined as hazardous or toxic, under any Environmental Requirements, asbestos and petroleum, including crude oil or any fraction thereof, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas). As defined in Environmental Requirements, Tenant is and shall be deemed to be the "operator" of Tenant's "facility" and the "owner" of all Hazardous Materials brought on the Premises by Tenant, its agents, employees, contractors or invitees, and the wastes, byproducts, or residues generated, resulting, or produced therefrom.

Tenant shall indemnify, defend, and hold Landlord harmless from and against any and all losses (including, without limitation, diminution in value of the Premises and loss of rental income from the Premise), claims, demands, actions, suits, damages (including, without limitation, punitive damages), expenses (including, without limitation, remediation, removal, repair, corrective action, or cleanup expenses), and costs (including, without limitation, actual attorneys' fees, consultant fees or expert fees and including, without limitation, removal or management of any asbestos brought into the property or disturbed in breach of the requirements of this Paragraph 31, regardless of whether such removal or management is required by law) which are brought or recoverable against, or suffered or incurred by Landlord as a result of any release of Hazardous Materials for which Tenant is obligated to remediate as provided above or any other breach of the requirements under this Paragraph 30 by Tenant, its agents, employees, contractors, subtenants, assignees or invitees, regardless of whether Tenant had knowledge of such noncompliance. The obligations of Tenant under this Paragraph 30 shall survive any termination of this Lease.

Landlord shall have access to, and a right to perform inspections and tests of, the Premises to determine Tenant's compliance with Environmental Requirements, its obligations under this Paragraph 30, or the environmental condition of the Premises. Access shall be granted to Landlord upon Landlord's prior notice to Tenant and at such times so as to minimize, so far as may be reasonable under the circumstances, any disturbance to Tenant's operations. Such inspections and tests shall be conducted at Landlord's expense, unless such inspections or tests reveal that Tenant has not complied with any Environmental Requirement, in which case Tenant shall reimburse Landlord for the reasonable cost of such inspection and tests. Landlord's receipt of or satisfaction with any environmental assessment in no way waives any rights that Landlord holds against Tenant.

32. **Rules and Regulations.** Tenant shall, at all times during the Lease Term and any extension thereof, comply with all reasonable rules and regulations at any time or from time to time established by Landlord covering use of the Premises. The current rules and regulations are attached hereto. In the event of any conflict between said rules and regulations and other provisions of this Lease, the other terms and provisions of this Lease shall control. Landlord shall not have any liability or obligation for the breach of any rules or regulations by other tenants in the Premise.

33. **Security Service.** Tenant acknowledges and agrees that, while Landlord may patrol the Premise, Landlord is not providing any security services with respect to the Premises and that Landlord shall not be liable to Tenant for, and Tenant waives any claim against Landlord with respect to, any loss by theft or any other damage suffered or incurred by Tenant in connection with any unauthorized entry into the Premises or any other breach of security with respect to the Premises.

34. **Force Majeure.** Landlord shall not be held responsible for delays in the performance of its obligations hereunder when caused by strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, delay in issuance of permits, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of Landlord ("Force Majeure").

35. **Entire Agreement.** This Lease constitutes the complete agreement of Landlord and Tenant with respect to the subject matter hereof. No representations, inducements, promises or agreements, oral or written, have been made by Landlord or Tenant, or anyone acting on behalf of Landlord or Tenant, which are not contained herein, and any prior agreements, promises, negotiations, or representations are superseded by this Lease. This Lease may not be amended except by an instrument in writing signed by both parties hereto.

36. **Severability.** If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby. It is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added, as a part of this Lease, a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

37. **Brokers.** Tenant represents and warrants that it has dealt with no broker, agent or other person in connection with this transaction and that no broker, agent or other person brought about this transaction, other than the broker, if any, set forth on the first page of this Lease, and Tenant agrees to indemnify and hold Landlord harmless from and against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with Tenant with regard to this leasing transaction.

38. **Miscellaneous.**

(a) Any payments or charges due from Tenant to Landlord hereunder shall be considered rent for all purposes of this Lease.

(b) If and when included within the term "Tenant," as used in this instrument, there is more than one person, firm or corporation, each shall be jointly and severally liable for the obligations of Tenant.

(c) All notices required or permitted to be given under this Lease shall be in writing and shall be sent by registered or certified mail, return receipt requested, or by a reputable national overnight courier service, postage prepaid, or by hand-delivery addressed to the parties at their addresses below, and with a copy sent to Landlord at City of Oroville, Attn: City Administrator, 1735 Montgomery Street, Oroville, California, 95965. Either party may by notice given aforesaid change its address for all subsequent notices. Except where otherwise expressly provided to the contrary, notice shall be deemed given upon delivery.

(d) Except as otherwise expressly provided in this Lease or as otherwise required by law, Landlord retains the absolute right to withhold any consent or approval.

(e) The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any exhibits or amendments hereto.

(f) The submission by Landlord to Tenant of this Lease shall have no binding force or effect, shall not constitute an option for the leasing of the Premises, nor confer any right or impose any obligations upon either party until execution of this Lease by both parties.

(g) Words of any gender used in this Lease shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires. The captions inserted in this Lease are for convenience only and in no way define, limit or otherwise describe the scope or intent of this Lease, or any provision hereof, or in any way affect the interpretation of this Lease.

(h) Any amount not paid by Tenant within 5 days after its due date in accordance with the terms of this Lease shall bear interest from such due date until paid in full at the lesser of the highest rate permitted by applicable law or 15 percent per year. It is expressly the intent of Landlord and Tenant at all times to comply with applicable law governing the maximum rate or amount of any interest payable on or in connection with this Lease. If applicable law is ever judicially interpreted so as to render usurious any interest called for under this Lease, or contracted for, charged, taken, reserved, or received with respect to this Lease, then it is

Landlord's and Tenant's express intent that all excess amounts theretofore collected by Landlord be credited on the applicable obligation (or, if the obligation has been or would thereby be paid in full, refunded to Tenant), and the provisions of this Lease immediately shall be deemed reformed and the amounts thereafter collectible hereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder.

(i) Construction and interpretation of this Lease shall be governed by the laws of the state in which the Premise is located, excluding any principles of conflicts of laws.

(j) Time is of the essence as to the performance of Tenant's obligations under this Lease.

(k) All exhibits and addenda attached hereto are hereby incorporated into this Lease and made a part hereof. In the event of any conflict between such exhibits or addenda and the terms of this Lease, such exhibits or addenda shall control.

(l) In the event either party hereto initiates litigation to enforce the terms and provisions of this Lease, the non-prevailing party in such action shall reimburse the prevailing party for its reasonable attorney's fees, filing fees, and court costs.

(m) In the event the total square footage and/or the footprint of the Leased Premises is modified by Landlord for purposes of practicality in compliance with any state or federal law, including but not limited to the Americans with Disabilities Act, Tenant agrees to accept such modifications without compensation. In the event Tenant reasonably believes such modifications prevent Tenant's Use of the Premises, as outlined in Paragraph 3, Tenant's sole remedy is to meet and confer with Landlord to seek voluntary modification of the Lease.

39. **Landlord's Lien/Security Interest.** Tenant hereby grants Landlord a security interest, and this Lease constitutes a security agreement, within the meaning of and pursuant to the Uniform Commercial Code of the state in which the Premises are situated as to all of Tenant's property situated in, or upon, or used in connection with the Premises (except merchandise sold in the ordinary course of business) as security for all of Tenant's obligations hereunder, including, without limitation, the obligation to pay rent. Such personality thus encumbered includes specifically all trade and other fixtures for the purpose of this Paragraph and inventory, equipment, contract rights, accounts receivable and the proceeds thereof. In order to perfect such security interest, Tenant shall execute such financing statements and file the same at Tenant's expense at the state and county Uniform Commercial Code filing offices as often as Landlord in its discretion shall require; and Tenant hereby irrevocably appoints Landlord its agent for the purpose of executing and filing such financing statements on Tenant's behalf as Landlord shall deem necessary.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

**CITY OF OROVILLE  
LANDLORD**

By: \_\_\_\_\_  
Linda L. Dahlmeier, Mayor

**ATTEST**

By: \_\_\_\_\_  
Donald Rust, Acting City Clerk

**APPROVED AS TO FORM**

By: \_\_\_\_\_  
Scott E. Huber, City Attorney

**STATE BARBER SHOP  
TENANT**

By: \_\_\_\_\_  
Bill Rhoades

By: \_\_\_\_\_  
Colby Flowers

**BUSINESS LICENSE NO.**

\_\_\_\_\_

1455

1461

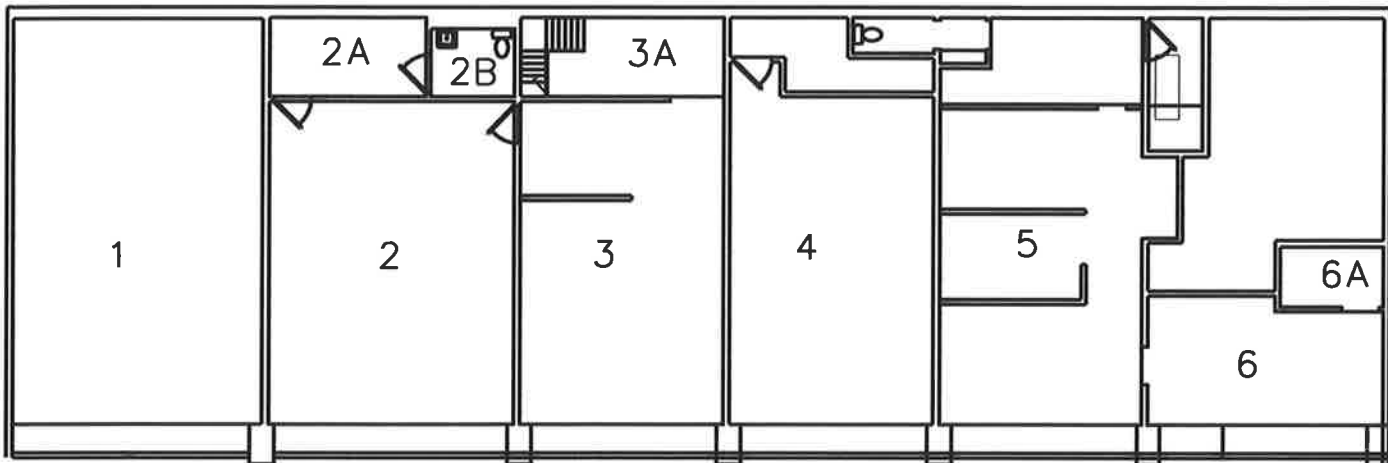
1465

1471

1475

1481

MYERS



## STATE THEATER OFFICES

1	1455 Myers St. (Occupied)	
	A Main floor area	
	B Attic	
	<b>TOTAL</b>	
2	1461 Myers Street	
	Main floor area	499.2
	A Back Room	79.08
	B Bathroom	37.04
	<b>TOTAL</b>	<b>615.3</b>
3	1465 Myers Street	
	Main floor area	416.6
	A Back Room	80.63
	Attic	0
	Basement Access	0
	<b>TOTAL</b>	<b>497.2</b>
4	1471 Myers Street (Occupied)	
	Main floor area	434.3
	A Attic	210
	B Bathroom	0
	<b>TOTAL</b>	<b>644.3</b>
5	1475 Myers St. (Occupied)	
	Main floor area	424.5
	A Back Room	94.8
	B Bathroom	33.36
	C Storage/Basement Access	45.42
	<b>TOTAL</b>	<b>598.1</b>
6	1475 Myers St. (Occupied)	
	Main floor area	182.9
	A Back Room	40.46
	<b>TOTAL</b>	<b>223.3</b>

Square footage excludes the window displays



**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: ZC 16-01: ENCLOSURES FOR SOLID WASTE AND RECYCABLE  
MATERIALS (2<sup>nd</sup> Reading)**

**DATE: APRIL 18, 2017**

**SUMMARY**

The Council may consider adopting an amendment to Title 17 of the Oroville Municipal Code (Zoning Ordinance) relating to the provision of areas for collecting and loading recyclable materials and solid waste in development projects.

**BACKGROUND**

On October 11, 1991, Assembly Bill No. 1327, Farr, (Statutes of 1991, Chapter 842) was signed into law. This bill added Chapter 18 (commencing with Section 42900) to Part 3 of Division 30 of the Public Resources Code. Chapter 18 is known as the California Solid Waste Reuse and Recycling Access Act of 1991. Chapter 18 required the California Department of Resources Recycling and Recovery (CalRecycle) to develop a model ordinance for adoption of recyclable materials in development projects. Local agencies were then required to adopt the model, or an ordinance of their own, governing adequate areas for collection and loading of recyclable materials in development projects. If a local agency has not adopted an ordinance for collecting and loading recyclable materials in development projects on or before September 1, 1994, the model ordinance adopted pursuant to Section 42910 of the Public Resources Code shall take effect on September 1, 1994, and shall be enforced by the local agency and have the same force and effect as if adopted by the local agency as an ordinance. The City of Oroville has not yet adopted an ordinance governing adequate areas for collection and loading of recyclable materials in development projects.

The California Code of Regulations, Title 24, Part 11 (CALGreen, Section 5.410.1), also requires newly constructed building and certain additions to “provide readily accessible areas that serve the entire building and are identified for the depositing, storage and collection of non-hazardous materials for recycling, including (at minimum) paper, corrugated cardboard, glass, plastics and metals or meet a lawfully enacted local recycling ordinance, if more restrictive.”

## DISCUSSION

Providing for adequate space for recyclables and organics recycling is critical. This is due to the fact that cities and counties are required to implement the Mandatory Commercial Recycling law (PRC 42649) and Mandatory Commercial Recycling Organics law (PRC 42649.8). These laws require cities and counties to provide commercial recycling programs for recyclables and organics for regulated businesses and multifamily complexes. Not ensuring that enclosures in new buildings have adequate space can be a direct impediment to implementing the commercial recycling laws. Jurisdictions found not to be implementing these laws may be subject to fines of up to \$10,000/day (**Attachment A**).

In order to ensure the City of Oroville is complying with the recycling requirements in California regarding the provision of adequate space for the collection and loading of recyclable materials in development projects, the attached code amendments are being proposed (**Attachment B**). The proposed code amendments have been drafted using CalRecycle's model ordinance (**Attachment C**) for guidance. On December 1, 2016, the Oroville Planning Commission adopted Resolution No. P2016-14 (**Attachment D**), recommending the City Council adopt the attached ordinance.

## ENVIRONMENTAL REVIEW

This project has been determined to be exempt from the California Environmental Quality Act (CEQA) as follows:

### General Rule Exemption; Title 14, CCR, §15061(b)(3)

A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

The City's Zoning Ordinance already has regulations regarding the provision of refuse enclosures for applicable development projects. The proposed code amendments build upon these requirements to ensure the City's Zoning Ordinance also specifies regulatory requirements for the provision of adequate areas for collection and loading of recyclable materials in development projects in compliance with state law.

### Actions by Regulatory Agencies for Protection of the Environment; Title 14, CCR, §15308

Section 21084 of the Public Resources Code requires the CEQA Guidelines to include a list of classes of projects which have been determined not to have a significant effect on the environment and which shall, therefore, be exempt from the provisions of CEQA. Class 8 consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and relaxation of standards allowing environmental

degradation are not included in this exemption.

Not ensuring that enclosures in new buildings have adequate space for recyclable materials can be a direct impediment to implementing California commercial recycling laws. In order to ensure the City of Oroville is complying with the recycling requirements in California regarding the provision of adequate space for the collection and loading of recyclable materials in development projects, amendments to the City's Zoning Ordinance are being proposed. The proposed code amendments have been drafted using CalRecycle's model ordinance for guidance.

### **FISCAL IMPACT**

Pursuant to Public Resources Code Section 21089, and as defined by the Fish and Wildlife Code Section 711.4, fees (\$50) are payable by the project applicant (City of Oroville) to file the Notice of Exemption with Butte County by the City of Oroville – Community Development Department within five working days of approval of this project.

### **RECOMMENDATION**

Waive the second reading and adopt by title only, Ordinance No. 1820 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING AMENDMENTS TO TITLE 17 OF THE OROVILLE MUNICIPAL CODE RELATING TO THE PROVISION OF AREAS FOR COLLECTING AND LOADING RECYCLABLE MATERIALS AND SOLID WASTE IN DEVELOPMENT PROJECTS.

### **ATTACHMENTS**

- A – Letter from CalRecycle: Department of Resource Recycling and Recovery
- B – Ordinance No. 1820
- C – CalRecycle's Model Ordinance
- D – Planning Commission Approved Resolution No. P2016-14
- E – Notice of Exemption
- F – Public Notice



## DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

1001 I STREET, SACRAMENTO, CALIFORNIA 95814 • WWW.CALRECYCLE.CA.GOV • (916) 322-4027  
P.O. BOX 4025, SACRAMENTO, CALIFORNIA 95812

To: Local Community Development Departments and Planning Divisions

Re: Recycling Requirement in California--Adequate Space for Recyclables

We are writing to inform you of the *California Solid Waste Reuse and Recycling Access Act* (Chapter 18 (commencing with Section 42900) to Part 3 of Division 30 of the Public Resources Code) that requires:

**Local agencies to adopt the model, or an ordinance, governing adequate areas for collection and loading of recyclable material in projects for which a building permit is required or any new or improved public facility where solid waste is collected and loaded.**

The *California Code of Regulations*, Title 24, Part 11 (CALGreen, Section 5.410.1), also requires:

**[Newly constructed buildings and certain additions to provide] readily accessible areas that serve the entire building and are identified for the depositing, storage and collection of non-hazardous materials for recycling, including (at minimum) paper, corrugated cardboard, glass, plastics and metals or meet a lawfully enacted local recycling ordinance, if more restrictive.**

As a planner you may not be aware of these requirements and your role in ensuring that they are being implemented. Providing for adequate space for recyclables and organics recycling is critical. This is due to the fact that cities and counties are required to implement the Mandatory Commercial Recycling law (PRC 42649) and Mandatory Commercial Recycling Organics law (PRC 42649.8). These laws require cities and counties to provide commercial recycling programs for recyclables and organics for regulated businesses and multifamily complexes. Not ensuring that enclosures in new buildings have adequate space can be a direct impediment to implementing the commercial recycling laws. Jurisdictions found not to be implementing these laws are subject to fines of up to \$10,000/day.

Copy of the *California Solid Waste Reuse and Recycling Access Act* can be found at: <http://www.calrecycle.ca.gov/Laws/>. More information on CALGreen is available at: <http://www.bsc.ca.gov/Home/CALGreen.aspx>.

Below are several examples of checklists used by planners.

The first three include all the mandatory requirements in CALGreen, such as Recycling by Occupants, 50% minimum recycling, etc. Noted at the end of each bullet is the page where "Recycling by Occupants" is mentioned.

- City of San Jose: <https://www.sanjoseca.gov/DocumentCenter/View/31748> (middle of page 2)



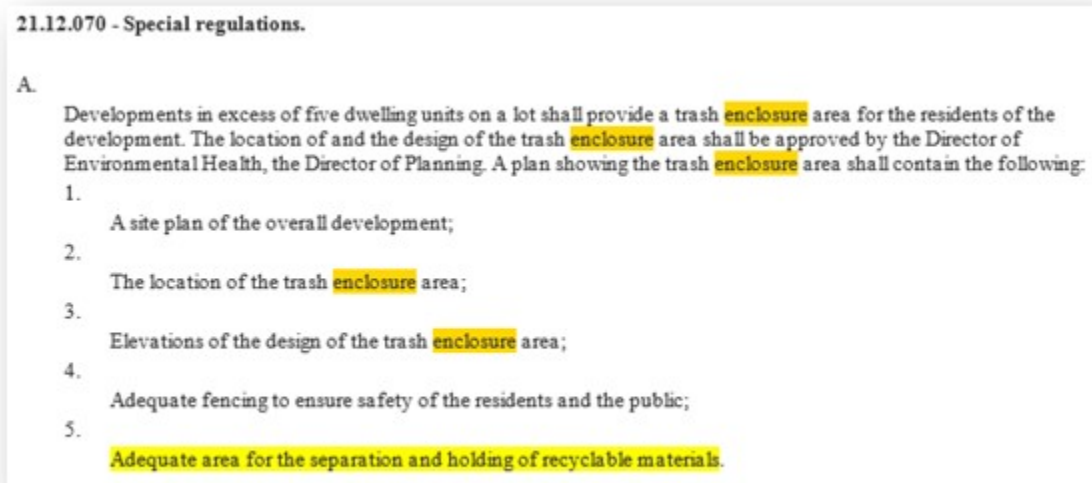
- City of San Carlos: <http://www.cityofsancarlos.org/civicax/filebank/blobdload.aspx?blobid=10915> (bottom of page 2)
- City of Ontario: <http://ci.ontario.ca.us/modules/showdocument.aspx?documentid=363> (middle of page 3)

City of Santa Cruz uses a Green Building Checklist. CALGreen requirements are reflected on the checklist as mandatory (M). Other measures are included for those who want to go above and beyond the minimum requirements.

- City of Santa Cruz: <http://www.cityofsantacruz.com/home/showdocument?id=47779> (section D, M6)

Monterey County's Ordinance includes the below language. The attached checklist is used by the Planning Department to ensure the enclosures are included with other planning requirements.

- Monterey County: Attached. (Bottom of page 3 and part of the Landscape Plan) Ordinance:



CalRecycle (formerly known as the California Integrated Waste Management Board) developed a [Recycling Space Allocation Guide](#) that includes guidance and sample provisions of several ordinances. There are also examples of how agencies have dealt with planning for adequate recycling space. For example, some local governments have found that requiring land use applicants to develop and submit a recycling and solid waste plan including a pre-construction, construction, and operational phase of each project to be beneficial in achieving compliance with these State recycling requirements.

If you would like to discuss this guidance, please contact your City's or County's Recycling Coordinator (<http://www.calrecycle.ca.gov/LGCentral/Reports/Contacts.aspx>) or CalRecycle Local Assistance and Market Development liaison at [LAMD@calrecycle.ca.gov](mailto:LAMD@calrecycle.ca.gov) or (916) 341-6199 to discuss these requirements.

Sincerely,

Cara Morgan, Branch Chief  
Local Assistance and Market Development  
CalRecycle

**CITY OF OROVILLE  
ORDINANCE NO. 1820**

**AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING AMENDMENTS  
TO TITLE 17 OF THE OROVILLE MUNICIPAL CODE RELATING TO THE  
PROVISION OF AREAS FOR COLLECTING AND LOADING RECYCLABLE  
MATERIALS AND SOLID WASTE IN DEVELOPMENT PROJECTS**

**WHEREAS**, on October 11, 1991, Assembly Bill No. 1327, Farr, (Statutes of 1991, Chapter 842) was signed into law; and

**WHEREAS**, this bill added Chapter 18 (commencing with Section 42900) to Part 3 of Division 30 of the Public Resources Code, known as the California Solid Waste Reuse and Recycling Access Act of 1991; and

**WHEREAS**, Chapter 18 required the California Department of Resources Recycling and Recovery (CalRecycle) to develop a model ordinance for adoption of recyclable materials in development projects; and

**WHEREAS**, local agencies were then required to adopt the model, or an ordinance of their own, governing adequate areas for collection and loading of recyclable materials in development projects; and

**WHEREAS**, if a local agency has not adopted an ordinance for collecting and loading recyclable materials in development projects on or before September 1, 1994, the model ordinance adopted pursuant to Section 42910 of the Public Resources Code shall take effect on September 1, 1994, and shall be enforced by the local agency and have the same force and effect as if adopted by the local agency as an ordinance; and

**WHEREAS**, the City of Oroville has not yet adopted an ordinance governing adequate areas for collection and loading of recyclable materials in development projects; and

**WHEREAS**, whenever the public health, safety and welfare warrant it, the City Council may by ordinance amend, supplement or change the regulations that the Zoning Ordinance establishes for the zoning of property, provided that the Zoning Ordinance shall be consistent with the General Plan; and

**WHEREAS**, amendments to the Zoning Ordinance may be initiated by resolution of the Planning Commission; and

**WHEREAS**, on December 1, 2016, the Oroville Planning Commission adopted Resolution No. P2016-14, recommending the City Council adopt the code amendments specified herein; and

**WHEREAS**, at a noticed public hearing, the City Council considered the

comments and concerns of public agencies, property owners, and members of the public who are potentially affected by the action described herein, and also considered City staff's report regarding the action.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF OROVILLE DO ORDAIN AS FOLLOWS:**

**SECTION I. CEQA Review:**

This action has been determined to be exempt from the California Environmental Quality Act (CEQA) review pursuant to Title 14, California Code of Regulations, Section 15061(b)(3) "General Rule Exemption" and Section 15308 "Actions by Regulatory Agencies for Protection of the Environment."

**SECTION II.** Subsection H of Section 17.12.020 is hereby deleted, with the following subsections re-lettered as needed, and Section 17.12.110 is hereby added to read as follows:

**~~§17.12.020 (H) Refuse Collection Areas.~~**

- ~~1. Except for residential developments that include no more than 2 dwelling units on a single site, all areas used for refuse collection shall be enclosed by a solid-walled enclosure that is faced with stucco, split-block masonry or a similar finished surface.
  - ~~a. In multiple-family residential and professional office developments where trash cans that hold no more than 50 gallons of material are used for refuse collection, the enclosure shall have a minimum height of 42 inches.~~
  - ~~b. In all other nonresidential developments, enclosures shall have a minimum height of 6 feet.~~~~
- ~~2. Gates for refuse collection areas shall consist of a pre-manufactured solid material, such as metal or a similarly durable material.~~
- ~~3. All refuse collection areas shall be on concrete slabs.~~

**§17.12.110 Enclosures for Solid Waste and Recyclable Materials**

**A. Applicability**

This section shall apply to projects meeting any of the following definitions:

1. A project for which a building permit is required for a commercial, industrial, or institutional building, or a residential building having five or more living units, where solid waste is collected and loaded and any residential project where solid

waste is collected and loaded in a location serving five or more living units.

2. Any new public facility where solid waste is collected and loaded.
3. Any improvements to existing areas used for collecting and loading solid waste that requires a building permit.
4. Any expansion, alteration, or new construction of an existing development which increases the gross floor area by 25 percent or more.

## **B. General Requirements**

All projects, as defined in this section, shall include adequate, accessible, and convenient enclosed areas for collecting and loading recyclable materials and solid waste.

## **C. Design**

1. Collection areas shall be enclosed by a solid-walled enclosure that is faced with stucco, split-block masonry or a similar finished surface and designed to be architecturally compatible with existing/proposed structures and surroundings.
2. Enclosures shall have a minimum wall height of 6 feet.
3. Gates for refuse collection areas shall consist of a pre-manufactured solid material, such as metal or a similarly durable material.
4. All collection areas shall be on concrete slabs.
5. The gate shall be an appropriate size to allow adequate access of the containers by the City's collection contractor.
6. The enclosure and solid waste and recycling containers shall be of a sufficient size and/or number to provide adequate storage for solid waste and recyclable materials generated by the development.
7. Containers shall be clearly marked to identify the type of material which may be deposited.
8. Enclosures or the containers placed therein must provide protection against adverse environmental conditions, such as rain.

## **D. Location**

1. New Construction: Receptacles for collecting and loading recyclable materials and solid waste shall be housed in the same enclosure.





**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting held on April 18, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Donald Rust, Acting City Clerk

## Appendix A

# Model Ordinance Relating to Areas for Collecting and Loading Recyclable Materials in Development Projects

### **Section I: Purpose**

Cities and counties must divert 50 percent of all solid waste by January 1, 2000, through source reduction, recycling, and composting activities.

Diverting 50 percent of all solid waste requires the participation of the residential, commercial, industrial, and public sectors.

The lack of adequate areas for collecting and loading recyclable materials that are compatible with surrounding land uses is a significant impediment to diverting solid waste and constitutes an urgent need for state and local agencies to address access to solid waste for source reduction, recycling, and composting activities. This ordinance has been developed to meet that need.

### **Section II: Definitions**

The following definitions shall apply to the language contained in this ordinance:

- A. **Development Project.** Means any of the following:
  - 1. A project for which a building permit is required for a commercial, industrial, or institutional building, marina, or residential building having five or more living units, where solid waste is collected and loaded and any residential project where solid waste is collected and loaded in a location serving five or more living units.
  - 2. Any new public facility where solid waste is collected and loaded and any improvements for areas of a public facility used for collecting and loading solid waste.
  - 3. The definition of development project only includes subdivisions or tracts of single-family detached homes if, within such subdivisions or tract there is an area where solid waste is collected and loaded in a location which serves five or more living units. In such instances, recycling areas as specified in this ordinance are only required to serve the needs of the living units which utilize the solid waste collection and loading area.
- B. **Improvement.** An improvement adds to the value of a facility, prolongs its useful life, or adapts it to new uses. Improvements should be distinguished from repairs. Repairs keep facilities in good operating condition, do not materially add to the value of the facility, and do not substantially extend the life of the facility.
- C. **Floor Area of a Marina.** The floor area of a marina shall be defined as the space dedicated to the docking or mooring of marine vessels.
- D. **Public Facility.** The definition of public facility includes, but is not limited to buildings, structures, marinas, and outdoor recreation areas owned by a local agency.
- E. **Recycling Area (areas for recycling).** Space allocated for collecting and loading of recyclable materials. Such areas shall have the ability to accommodate receptacles for recyclable materials. Recycling areas shall be accessible and convenient for those who deposit as well as those who collect and load any recyclable materials placed therein.

### **Section III: General Requirements**

- A. Any new development project for which an application for a building permit is submitted on or after September 1, 1994, shall include adequate, accessible, and convenient areas for collecting and loading recyclable materials.
- B. Any improvements for areas of a public facility used for collecting and loading solid waste shall include adequate, accessible, and convenient areas for collecting and loading recyclable materials.
- C. Any existing development project for which an application for a building permit is submitted on or after September 1, 1994, for a single alteration which is subsequently performed that adds 30 percent or more to the existing floor area of the development project shall provide adequate, accessible, and convenient areas for collecting and loading recyclable materials.
- D. Any existing development project for which an application for a building permit is submitted on or after September 1, 1994, for multiple alterations which are conducted within a 12-month period which collectively add 30 percent or more to the existing floor area of the development project shall provide adequate, accessible, and convenient areas for collecting and loading recyclable materials.
- E. Any existing development project for which multiple applications for building permits are submitted within a 12-month period beginning on or after September 1, 1994, for multiple alterations which are subsequently performed that collectively add 30 percent or more to the existing floor area of the development project shall provide adequate, accessible, and convenient areas for collecting and loading recyclable materials.
- F. Any existing development project occupied by multiple tenants, one of which submits on or after September 1, 1994, an application for a building permit for a single alteration which is subsequently performed that adds 30 percent or more to the existing floor area of that portion of the development project which said tenant leases shall provide adequate, accessible, and convenient areas for collecting and loading recyclable materials. Such recycling areas shall, at a minimum, be sufficient in capacity, number, and distribution to serve that portion of the development project which said tenant leases.
- G. Any existing development project occupied by multiple tenants, one of which submits on or after September 1, 1994 an application for a building permit for multiple alterations which are conducted within a 12-month period which collectively add 30 percent or more to the existing floor area of that portion of the development project which said tenant leases shall provide adequate, accessible, and convenient areas for collecting and loading recyclable materials. Such recycling areas shall, at a minimum, be sufficient in capacity, number, and distribution to serve that portion of the development project which said tenant leases.
- H. Any existing development project occupied by multiple tenants, one of which submits within a 12-month period beginning on or after September 1, 1994 multiple applications for building permits for multiple alterations which are subsequently performed that collectively add 30 percent or more to the existing floor area of that portion of the development project which said tenant leases shall provide adequate, accessible, and convenient areas for collecting and loading recyclable materials. Such recycling areas shall, at a minimum, be sufficient in capacity, number, and distribution to serve that portion of the development project which said tenant leases.
- I. Any costs associated with adding recycling space to existing development projects shall be the responsibility of the party or parties who are responsible for financing the alterations.

**Section IV: Guidelines for All Development Projects**

- A. Where local standards exist, recycling areas should be designed to be architecturally compatible with nearby structures and with the existing topography and vegetation, in accordance with such standards.
- B. The design and construction of recycling areas shall not prevent security of any recyclable materials placed therein.
- C. The design, construction, and location of recycling areas shall not be in conflict with any applicable federal, State, or local laws relating to fire, building, access, transportation, circulation, or safety.
- D. Recycling areas or the bins or containers placed therein must provide protection against adverse environmental conditions, such as rain, which might render the collected materials unmarketable.
- E. Driveways and/or travel aisles shall, at a minimum, conform to local building-code requirements for garbage collection access and clearance. In the absence of such building-code requirements, driveways and/or travel aisles should provide unobstructed access for collection vehicles and personnel.
- F. A sign clearly identifying all recycling and solid waste collection and loading areas and the materials accepted therein shall be posted adjacent to all points of direct access to the recycling areas.
- G. Developments and transportation corridors adjacent to recycling areas shall be adequately protected for any adverse impacts such as noise, odor, vectors, or glare through measures including, but not limited to maintaining adequate separation, fencing, and landscaping.

**Section V: Additional Guidelines for Single-Tenant Development Projects**

- A. Areas for recycling shall be adequate in capacity, number, and distribution to serve the development project.
- B. Dimensions of the recycling area shall accommodate receptacles sufficient to meet the recycling needs of the development project.
- C. An adequate number of bins or containers to allow for the collection and loading of recyclable materials generated by the development project should be located within the recycling area.

**Section VI: Additional Guidelines for Multiple-Tenant Development Projects**

- A. Recycling areas shall, at a minimum, be sufficient in capacity, number, and distribution to serve that portion of the development project leased by the tenant(s) who submitted an application or applications resulting in the need to provide recycling area(s) pursuant to Section III of this ordinance.
- B. Dimensions of recycling areas shall accommodate receptacles sufficient to meet the recycling needs of that portion of the development project leased by the tenant who submitted an application or applications resulting in the need to provide recycling area(s) pursuant to Section III of this ordinance.
- C. An adequate number of bins or containers to allow for the collection and loading of recyclable materials generated by that portion of the development project leased by the tenant(s) who submitted an application or applications resulting in the need to provide recycling area pursuant to Section III of this ordinance should be located within the recycling area.

**Section VII: Location**

- A. Recycling areas shall not be located in any area required to be constructed or maintained as unencumbered, according to any applicable federal, state, or local laws relating to fire, access, building, transportation, circulation, or safety.
- B. Any and all recycling area(s) shall be located so they are at least as convenient for those persons who deposit, collect, and load the recyclable materials placed therein as the location(s) where solid waste is collected and loaded. Whenever feasible, areas for collecting and loading recyclable materials shall be adjacent to the solid waste collection areas.

**Section VIII: Declaration of Severability**

All provisions of this Ordinance are severable and, if for any reason any sentence, paragraph, or section of this Ordinance shall be held invalid, such decision shall not affect the validity of the remaining parts of the Ordinance.

## **RESOLUTION NO. P2016-14**

### **A RESOLUTION OF THE OROVILLE CITY PLANNING COMMISSION FORWARDING A RECOMMENDATION TO THE CITY COUNCIL TO ADOPT AN ORDINANCE RELATING TO THE PROVISION OF AREAS FOR COLLECTING AND LOADING RECYCLABLE MATERIALS AND SOLID WASTE IN DEVELOPMENT PROJECTS**

**WHEREAS**, on October 11, 1991, Assembly Bill No. 1327, Farr, (Statutes of 1991, Chapter 842) was signed into law; and

**WHEREAS**, this bill added Chapter 18 (commencing with Section 42900) to Part 3 of Division 30 of the Public Resources Code, known as the California Solid Waste Reuse and Recycling Access Act of 1991; and

**WHEREAS**, Chapter 18 required the California Department of Resources Recycling and Recovery (CalRecycle) to develop a model ordinance for adoption of recyclable materials in development projects; and

**WHEREAS**, local agencies were then required to adopt the model, or an ordinance of their own, governing adequate areas for collection and loading of recyclable materials in development projects; and

**WHEREAS**, if a local agency has not adopted an ordinance for collecting and loading recyclable materials in development projects on or before September 1, 1994, the model ordinance adopted pursuant to Section 42910 of the Public Resources Code shall take effect on September 1, 1994, and shall be enforced by the local agency and have the same force and effect as if adopted by the local agency as an ordinance; and

**WHEREAS**, the City of Oroville has not yet adopted an ordinance governing adequate areas for collection and loading of recyclable materials in development projects; and

**WHEREAS**, whenever the public health, safety and welfare warrant it, the City Council may by ordinance amend, supplement or change the regulations that the Zoning Ordinance establishes for the zoning of property, provided that the Zoning Ordinance shall be consistent with the General Plan; and

**WHEREAS**, amendments to the Zoning Ordinance may be initiated by resolution of the Planning Commission; and

**WHEREAS**, at a noticed public hearing, the Planning Commission considered the comments and concerns of public agencies, property owners, and members of the public who are potentially affected by the action described herein, and also considered City staff's report regarding the project.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION as follows:

**SECTION I. CEQA Review:**

This action has been determined to be exempt from the California Environmental Quality Act (CEQA) review pursuant to Title 14, California Code of Regulations, Section 15061(b)(3) "General Rule Exemption" and Section 15308 "Actions by Regulatory Agencies for Protection of the Environment."

**SECTION II.** The Planning Commission hereby forwards a recommendation to the City Council to adopt the following code amendments, with all deletions shown in a strikethrough format and all additions shown in an underlined format:

**~~§17.12.020 (H) Refuse Collection Areas.~~**

- ~~1. Except for residential developments that include no more than 2 dwelling units on a single site, all areas used for refuse collection shall be enclosed by a solid-walled enclosure that is faced with stucco, split-block masonry or a similar finished surface.
  - ~~a. In multiple-family residential and professional office developments where trash cans that hold no more than 50 gallons of material are used for refuse collection, the enclosure shall have a minimum height of 42 inches.~~
  - ~~b. In all other nonresidential developments, enclosures shall have a minimum height of 6 feet.~~~~
- ~~2. Gates for refuse collection areas shall consist of a pre-manufactured solid material, such as metal or a similarly durable material.~~
- ~~3. All refuse collection areas shall be on concrete slabs.~~

**§17.12.100 Enclosures for Solid Waste and Recyclable Materials**

**A. Applicability**

This section shall apply to projects meeting any of the following definitions:

1. A project for which a building permit is required for a commercial, industrial, or institutional building, or a residential building having five or more living units, where solid waste is collected and loaded and any residential project where solid waste is collected and loaded in a location serving five or more living units.
2. Any new public facility where solid waste is collected and loaded.
3. Any improvements to existing areas used for collecting and loading solid waste that requires a building permit.



4. Any expansion, alteration, or new construction of an existing development which increases the gross floor area by 25 percent or more.

## **B. General Requirements**

All projects, as defined in this section, shall include adequate, accessible, and convenient enclosed areas for collecting and loading recyclable materials and solid waste.

## **C. Design**

1. Collection areas shall be enclosed by a solid-walled enclosure that is faced with stucco, split-block masonry or a similar finished surface and designed to be architecturally compatible with existing/proposed structures and surroundings.
2. Enclosures shall have a minimum wall height of 6 feet.
3. Gates for refuse collection areas shall consist of a pre-manufactured solid material, such as metal or a similarly durable material.
4. All collection areas shall be on concrete slabs.
5. The gate shall be an appropriate size to allow adequate access of the containers by the City's collection contractor.
6. The enclosure and solid waste and recycling containers shall be of a sufficient size and/or number to provide adequate storage for solid waste and recyclable materials generated by the development.
7. Containers shall be clearly marked to identify the type of material which may be deposited.
8. Enclosures or the containers placed therein must provide protection against adverse environmental conditions, such as rain.

## **D. Location**

1. New Construction: Receptacles for collecting and loading recyclable materials and solid waste shall be housed in the same enclosure.
2. Existing Development: If the existing development has an existing trash enclosure, then the required recycling receptacles shall, to the extent possible, be located inside the trash enclosure. If it is not possible to locate the required recycling receptacles in the existing trash enclosure, the recycling receptacles shall be located adjacent to the existing trash enclosure.
3. Enclosures shall be located to the rear of a building where possible.

4. Enclosures shall be located and designed for ease of access by service vehicles and tenants, and in such a way as to minimize conflicts with circulation, parking, and other site uses.

\*\*\*\*\*

**I HEREBY CERTIFY** that the foregoing resolution was duly introduced and passed at a special meeting of the Planning Commission of the City of Oroville held on the 1<sup>st</sup> of December, 2016 by the following vote:

AYES: COMMISSIONERS BRAND, BRITTON, CHAPMAN, JENKINS,  
VICE CHAIRPERSON DURLING, CHAIRPERSON ROBISON

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

ATTEST:

  
DONALD L. RUST, SECRETARY

APPROVE:

  
DAMON ROBISON, CHAIRPERSON



# City of Oroville

COMMUNITY DEVELOPMENT DEPARTMENT

**Donald Rust**  
DIRECTOR

1735 Montgomery Street  
Oroville, CA 95965-4897  
(530) 538-2430 FAX (530) 538-2426  
[www.cityoforoville.org](http://www.cityoforoville.org)

## NOTICE OF EXEMPTION

**TO:** Butte County Clerk  
25 County Center Drive  
Oroville CA, 95965

**FROM:** City of Oroville  
1735 Montgomery Street  
Oroville, CA, 95965

Project Title: ZC 16-01: Enclosures for Solid Waste and Recyclable Materials

Project Location – Specific: Citywide

Project Location – City: City of Oroville

Project Location – County: Butte

Description of Nature, Purpose, and beneficiaries of project: The California Solid Waste Reuse and Recycling Access Act of 1991 identified a lack of adequate areas for collecting and loading recyclable materials that are compatible with surrounding land uses as a significant impediment to diverting solid waste, and constitutes an urgent need for state and local agencies to address access to solid waste for source reduction, recycling and composting activities. Providing for adequate space for recyclables and organics recycling is critical. This is due to the fact that cities and counties are required to implement the Mandatory Commercial Recycling law (PRC 42649) and Mandatory Commercial Recycling Organics law (PRC 42649.8). These laws require cities and counties to provide commercial recycling programs for recyclables and organics for regulated businesses and multifamily complexes. Not ensuring that enclosures in new buildings have adequate space can be a direct impediment to implementing the commercial recycling laws. In order to ensure the City of Oroville is complying with the recycling requirements in California regarding the provision of adequate space for the collection and loading of recyclable materials in development projects, amendments to the City's Zoning Ordinance are being proposed. The proposed code amendments have been drafted using CalRecycle's model ordinance for guidance.

Name of Public Agency Approving Project: City of Oroville

Name of Person or Agency Carrying out Project: City of Oroville

Exempt Status (Check One):

- Ministerial (Sec. 21080(b)(1); 15268)
- Declared Emergency (Sec. 21080(b)(3); 15269(a))
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c))
- Categorical Exemption: State type & section number:
- General Rule Exemption; Title 14, CCR, §15061(b)(3)
  - Actions by Regulatory Agencies for Protection of the Environment; Title 14, CCR, §15308
- Statutory Exemption: State code number:

Reasons why project is exempt: This project has been determined to be exempt from the California Environmental Quality Act (CEQA) as follows:

*General Rule Exemption; Title 14, CCR, §15061(b)(3)*

A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

The City's Zoning Ordinance already has regulations regarding the provision of refuse enclosures for applicable development projects. The proposed code amendments build upon these requirements to ensure the City's Zoning Ordinance also specifies regulatory requirements for the provision of adequate areas for collection and loading of recyclable materials in development projects in compliance with state law.

*Actions by Regulatory Agencies for Protection of the Environment; Title 14, CCR, §15308*

Section 21084 of the Public Resources Code requires the CEQA Guidelines to include a list of classes of projects which have been determined not to have a significant effect on the environment and which shall, therefore, be exempt from the provisions of CEQA. Class 8 consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment. Construction activities and relaxation of standards allowing environmental degradation are not included in this exemption.

Not ensuring that enclosures in new buildings have adequate space for recyclable materials can be a direct impediment to implementing California commercial recycling laws. In order to ensure the City of Oroville is complying with the recycling requirements in California regarding the provision of adequate space for the collection and loading of recyclable materials in development projects, amendments to the City's Zoning Ordinance are being proposed. The proposed code amendments have been drafted using CalRecycle's model ordinance for guidance.

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project?  Yes  No

Lead Agency Contact Person: Luis A. Topete

Telephone: (530) 538-2408

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

- Signed by Lead Agency
- Signed by Applicant



# City of Oroville

COMMUNITY DEVELOPMENT DEPARTMENT

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**Donald Rust**  
DIRECTOR

1735 Montgomery Street  
Oroville, CA 95965-4897  
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**PUBLIC NOTICE**  
**CITY OF OROVILLE**  
**ORDINANCE NO. 1820**  
**ENCLOSURES FOR SOLID WASTE AND RECYCABLE MATERIALS**

Pursuant to Article VII of the Oroville City Charter, a summary of the proposed action related to the proposed Ordinance has been prepared, as follows:

- 1. ZC 16-01: Enclosures for Solid Waste and Recyclable Materials** - The Council may consider approving an amendment to Title 17 of the Oroville Municipal Code (Zoning Ordinance) relating to the provision of areas for collecting and loading recyclable materials and solid waste in development projects.

Said consideration will be held at a 6:30 p.m. regular City Council meeting on Tuesday, April 18, 2017, in the City Council Chambers, 1735 Montgomery Street, Oroville, CA. All interested persons are invited to attend or submit comments in writing.

Additional information regarding the proposal described in this notice can be obtained from the Oroville City Clerk at 1735 Montgomery Street, Oroville, CA. Anyone desiring to submit information, opinions or objections is requested to submit them in writing to the City Clerk prior to the hearing. In accordance with Government Code Section 65009, if you challenge a decision on this action in court, you may be limited to raising only those issues you or someone else raised at the public meeting described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

Posted/Published: **Saturday, April 8, 2017**

**CITY OROVILLE  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: SCOTT E. HUBER, CITY ATTORNEY  
ADMINISTRATION DEPARTMENT**

**RE: REQUEST BY OROVILLE CITY ELEMENTARY SCHOOL DISTRICT  
FOR USE OF CITY OF OROVILLE'S RADIO TOWER**

**DATE: APRIL 18, 2017**

**SUMMARY**

The Council may consider a request from the Oroville City Elementary School District (OCESD) to place their emergency communication infrastructure into one of the City of Oroville Public Safety Department's radio towers.

**DISCUSSION**

The City's Public Safety Department (Department) currently utilizes five (5) radio towers that house the Department's communications infrastructure. On March 23, 2017, OCESD made a formal request to place their emergency communication infrastructure into one (1) of the Department's radio towers.

OCESD was advised by Sutter Buttes Radio that one of the City of Oroville's radio tower locations, would provide the best location for their emergency communications infrastructure. OCESD would like to utilize the radio tower in the event their current system goes down, or a critical incident requires the emergency communication channel to be activated. The City's primary radio tower ensures better coverage for them over the Oroville area. This location is tall enough and should provide proper service to the area.

There is adequate space within the radio tower structure to not intrude or hinder current operations. In addition, there is available space for the City to expand to the communications infrastructure, if desired later.

This request would create no expense to the City of Oroville and would be completely funded and maintained by OCESD.

**FISCAL IMPACT**

None.

## **RECOMMENDATIONS**

Allow the Oroville City Elementary School District to place their emergency communication infrastructure into one of the City of Oroville Public Safety Department's radio towers.

## **ATTACHMENT**

A - Letter from Oroville City Elementary School District dated March 23, 2017





# OROVILLE CITY ELEMENTARY SCHOOL DISTRICT

2795 YARD STREET, OROVILLE, CA 95966-5113

(530) 532-3000 • www.ocesd.org

PENNY CHENNEL-CARTER, Ed.D.

*Superintendent  
Extension 3001  
(530) 532-3050 FAX*

*ANDREA DUNN  
Associate Superintendent  
of Educational Services  
Extension 3013  
(530) 532-3050 FAX*

*ANDREW JAMES  
Asst. Superintendent, Business  
Extension 3005  
(530) 532-3030 FAX*

*LYNNE VINCENT, Ed.D.  
Special Education Director  
(530) 532-5690  
(530) 532-5691 FAX*

**BOARD OF TRUSTEES:**

*CAROL SUTHERLAND  
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*AMBER DURBIN  
Vice President*

*K. SANDRA BARNES  
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*JULIAN DIAZ  
Member*

*BILL LAGRONE, JR.  
Member*

**SCHOOLS:**

*BIRD STREET SCHOOL  
Patrick O'Brien, Principal  
1421 Bird Street  
Oroville, CA 95965-4783  
(530) 532-3001  
(530) 532-3041 FAX*

*CENTRAL MIDDLE SCHOOL  
Mikeial Williamson, Principal  
2565 Mesa Avenue  
Oroville, CA 95966-6000  
(530) 532-3002  
(530) 532-3042 FAX*

*ISHI HILLS MIDDLE SCHOOL  
Chris Renzullo, Principal  
1 Ishi Hills Way  
Oroville, CA 95966-5519  
(530) 532-3078  
(530) 532-3040 FAX*

*OAKDALE HEIGHTS SCHOOL  
John Bettencourt, Principal  
2255 Las Plumas Avenue  
Oroville, CA 95966-6920  
(530) 532-3004  
(530) 532-3044 FAX*

*OPHIR SCHOOL  
VACANT, Principal  
210 Oakvale Avenue  
Oroville, CA 95966-9494  
(530) 532-3005  
(530) 532-3045 FAX*

*SIERRA DEL ORO SCHOOL  
Lynne Vincent, Ed.D., Principal  
2900 Wyandotte Avenue  
Oroville, CA 95966  
(530) 532-5690  
(530) 532-5691 FAX*

*STANFORD AVENUE SCHOOL  
Shannon Capshew, Ed.D., Principal  
1801 Stanford Avenue  
Oroville, CA 95966-5231  
(530) 532-3006  
(530) 532-3046 FAX*

*WYANDOTTE ACADEMY  
Todd Dowell, Principal  
2800 Wyandotte Avenue  
Oroville, CA 95966-6538  
(530) 532-3007  
(530) 532-3047 FAX*

March 23, 2017

Bill LaGrone, Police and Fire Chief  
Director of Public Safety  
City of Oroville

Tyson Pardee, IT Manager  
City of Oroville

Dear Chief LaGrone and Mr. Pardee:

Oroville City Elementary School District formerly used the Oroville Police Department's radio tower for our communications repeater. The District would like to resume use of the tower during the first week of April 2017. Please inform me if this is a possibility.

Thank you for considering our request.

Sincerely,

Penny Chennell-Carter, Ed.D.  
Superintendent

PCC:kjf



**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: ZC 17-01: EXPANSION OF EXISTING MEDICAL MARIJUANA LAND  
USE REGULATIONS TO APPLY TO RECREATIONAL AND MEDICAL  
MARIJUANA (1<sup>st</sup> Reading)**

**DATE: APRIL 18, 2017**

**SUMMARY**

The Council will conduct a public hearing to review and consider an amendment to Title 17 of the Oroville Municipal Code (Zoning Ordinance) to expand the existing land use regulations regarding medical marijuana to apply to recreational and medical marijuana.

**DISCUSSION**

On November 8, 2016, the majority of California voters passed Proposition 64 – The Control, Regulate and Tax Adult Use of Marijuana Act (Prop 64). The proposition became law immediately. California now joins several states including Washington, Oregon, and Colorado where the personal possession and use of marijuana is decriminalized. Prop 64 permits adults 21 years of age and over to possess and grow specified amounts of marijuana for recreational use. Prop 64 does not alter the Compassionate Use Act (Prop 215) or the Medical Marijuana Regulation and Safety Act (MMRSA).

Prop 64 prohibits state licensing authorities from issuing a license to a commercial nonmedical marijuana business if operation of the business violates a local ordinance of the jurisdiction in which the business will operate. This means that a city wishing to regulate or prohibit nonmedical marijuana businesses will need to do so before the state begins issuing licenses, which is anticipated to be in late 2017, either by enacting a nonmedical marijuana ordinance or by amending an existing medical marijuana ordinance to include nonmedical marijuana within its scope. Prop 64 does not require state agencies to issue licenses until January 1, 2018.

The City of Oroville has existing regulations that prohibit marijuana dispensaries, medical cannabis delivery and commercial processing, and regulations related to the cultivation of medical marijuana within the City limits. As much of the existing language in the City's municipal code regarding the regulation of marijuana specifies that the regulations apply to "medical" marijuana, the intent of this proposed code amendment is

to include and/or delete language, where appropriate, to expand the applicability of the regulations to recreational and medical marijuana.

## **ENVIRONMENTAL REVIEW**

This project has been determined to be exempt from the California Environmental Quality Act (CEQA) as follows:

### General Rule Exemption; Title 14, CCR, §15061(b)(3)

A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

### Minor Alterations in Land Use Limitations; Title 14, CCR, §15305

Section 21084 of the Public Resources Code requires the CEQA Guidelines to include a list of classes of projects which have been determined not to have a significant effect on the environment and which shall, therefore, be exempt from the provisions of CEQA. Class 5 consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density.

The City's Zoning Ordinance already has regulations that prohibit marijuana dispensaries, medical cannabis delivery and commercial processing, and regulations related to the cultivation of medical marijuana within the City limits. As much of the existing language in the City's municipal code regarding the regulation of marijuana specifies that the regulations apply to "medical" marijuana, the intent of this proposed code amendment is to include and/or delete language, where appropriate, to expand the applicability of the regulations to recreational and medical marijuana.

## **FISCAL IMPACT**

Pursuant to Public Resources Code Section 21089, and as defined by the Fish and Wildlife Code Section 711.4, fees (\$50) are payable by the project applicant (City of Oroville) to file the Notice of Exemption with Butte County by the City of Oroville – Community Development Department within five working days of approval of this project.

## **RECOMMENDATION**

Waive the first reading, and introduce by title only, Ordinance No. 1821 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING AMENDMENTS TO TITLE 17 OF THE OROVILLE MUNICIPAL CODE EXPANDING EXISTING LAND USE REGULATIONS REGARDING MEDICAL MARIJUANA TO APPLY TO RECREATIONAL AND MEDICAL MARIJUANA.

## **ATTACHMENTS**

- A – Ordinance No. 1821
- B – Notice of Exemption
- C – Newspaper Notice

**CITY OF OROVILLE  
ORDINANCE NO. 1821**

**AN ORDINANCE OF THE OROVILLE CITY COUNCIL ADOPTING AMENDMENTS TO TITLE 17 OF THE OROVILLE MUNICIPAL CODE EXPANDING EXISTING LAND USE REGULATIONS REGARDING MEDICAL MARIJUANA TO APPLY TO RECREATIONAL AND MEDICAL MARIJUANA**

**WHEREAS**, on November 8, 2016, the majority of California voters passed Proposition 64 – The Control, Regulate and Tax Adult Use of Marijuana Act (Prop 64); and

**WHEREAS**, the City of Oroville has existing regulations that prohibit marijuana dispensaries, medical cannabis delivery and commercial processing, and regulations related to the cultivation of medical marijuana within the City limits; and

**WHEREAS**, as much of the existing language in the City’s municipal code regarding the regulation of marijuana specifies that the regulations apply to “medical” marijuana, the intent of this proposed code amendment is to include and/or delete language, where appropriate, to expand the applicability of the regulations to recreational and medical marijuana; and

**WHEREAS**, whenever the public health, safety and welfare warrant it, the City Council may by ordinance amend, supplement or change the regulations that the Zoning Ordinance establishes for the zoning of property, provided that the Zoning Ordinance shall be consistent with the General Plan; and

**WHEREAS**, amendments to the Zoning Ordinance may be initiated by resolution of the Planning Commission; and

**WHEREAS**, on March 23, 2017, the Oroville Planning Commission adopted Resolution No. P2017-05, recommending the City Council adopt the code amendments specified herein; and

**WHEREAS**, at a noticed public hearing, the City Council considered the comments and concerns of public agencies, property owners, and members of the public who are potentially affected by the action described herein, and also considered City staff's report regarding the action.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF OROVILLE DO ORDAIN AS FOLLOWS:**

**SECTION I. CEQA Review:**

This action has been determined to be exempt from the California Environmental Quality Act (CEQA) review pursuant to Title 14, California Code of Regulations, Section

15061(b)(3) "General Rule Exemption" and Section 15305 "Minor Alterations in Land Use Limitations."

**SECTION II.** The following section of Chapter 17.16 is hereby amended to read as follows:

**17.16.105 ~~Medical~~ Marijuana Cultivation.**

A. **Purpose and Intent.** It is the purpose and intent of this section to require that ~~medical~~-marijuana be cultivated only in appropriately secured, enclosed, and ventilated structures, so as not to be visible to the general public, to provide for the health, safety and welfare of the public, to prevent odor created by marijuana plants from impacting adjacent properties, and to ensure that marijuana grown for recreational and/or medical purposes remains secure and does not find its way to non-patients, individuals under the age of 21 years old, or illicit markets. Nothing in this section is intended to impair any viable legal defense available to a person using or in possession of recreational and/or medical marijuana pursuant to the Compassionate Use Act (Health and Safety Code Section 11362.5), the Medical Marijuana Program Act (Health and Safety Code Section 11362.7 et seq.), or the Control, Regulate and Tax Adult Use of Marijuana Act (Prop 64). Nothing in this section is intended to authorize the cultivation, possession, or use of marijuana ~~for non-medical purposes~~ in violation of state or federal law.

B. **Definitions.** For the purposes of this section, the following definitions shall apply as defined in Section 17.04.060, unless the context clearly indicates otherwise. If a word is not defined in this title, the common and ordinary meaning of the word shall apply.

- Authorized Grower
- Bedroom
- Child Care Center
- Cultivation
- Detached, Fully-Enclosed and Secure Structure
- Enforcement Officer
- Indoors
- Immature Marijuana Plant
- Legal Parcel
- Mature Marijuana Plant
- Outdoor
- Premises
- Primary Caregiver
- Qualified Patient
- Rear Yard
- Residential Structure
- School
- Solid Fence

C. **Cultivation of ~~Medical~~ Marijuana.** The following regulations shall apply to the cultivation of ~~medical~~-marijuana within the city:

1. No person, other than a qualified patient, primary caregiver, or individual over the age of 21 may engage in cultivation of ~~medical~~-marijuana. It is hereby declared to be unlawful and a public nuisance for any person or persons owning, leasing, occupying, or having charge or possession of any legal parcel or premises within any zoning district in the city to cultivate ~~medical~~-marijuana except as provided for in this section.

2. **Residency Requirement.** Either a qualified patient, primary caregiver or individual over the age of 21 shall reside full-time on the premises where the ~~medical~~-marijuana cultivation occurs.
3. **Outdoor Cultivation.** It is unlawful and a public nuisance for any person owning, leasing, occupying, or having charge or possession of any legal parcel or premises within any zoning district in the city to cause or allow such parcel or premises to be used for the outdoor cultivation of marijuana plants.
4. **Residential Structure Cultivation.** It is unlawful and a public nuisance for any person to cultivate ~~medical~~-marijuana inside any residential structure or building without a ~~medical~~-marijuana cultivation permit issued by the city police chief or his/her designee, as provided herein.
5. **Cultivation in Nonresidential Zones.** Cultivation of ~~medical~~-marijuana is prohibited in all agricultural (except agricultural-residential), commercial, office, industrial, open space, special purpose, mixed use, and other nonresidential zoning districts.
6. **Proximity to Schools, Child Care Centers, and Parks.** It is unlawful and a public nuisance to cultivate ~~medical~~-marijuana on any legal parcel or premises within 250 feet of any school, child care center, or public park. The 250 feet shall be measured from the closest property line of the school, child care center, or park to the closest property line of the cultivation parcel.
7. **Cultivation Area.** It is hereby declared to be unlawful and a public nuisance for any person(s) owning, leasing, occupying, or having charge or possession of any legal parcel or premises within any zoning district in the city to cultivate ~~medical~~-marijuana within a detached structure equal to or less than 120 square feet in size.
8. **Indoor Cultivation in Residential Zones.** The indoor cultivation of ~~medical~~ marijuana in a residential zone shall only be conducted within a detached, fully-enclosed and secure structure greater than 120 square feet in size or within a residential structure conforming to the following minimum standards:
  - a. Any detached structure, regardless of square footage, constructed, altered or used for the cultivation of ~~medical~~ marijuana must have a valid building permit duly issued by the building official. The building official shall consult with the planning director and police chief in consideration of any building permit application seeking a building permit for the construction or alteration of any structure to be used for ~~medical~~-marijuana cultivation.

- b. Indoor grow lights shall not exceed 1,200 watts and shall comply with the California Building, Electrical and Fire Codes as adopted by the city. Gas products (including, without limitation, CO<sub>2</sub>, butane, propane, and natural gas), or generators shall not be used within any detached structure used for the cultivation of ~~medical~~-marijuana.
- c. Any detached, fully-enclosed and secure structure or residential structure used for the cultivation of ~~medical~~-marijuana must have a ventilation and filtration system installed that shall prevent marijuana plant odors from exiting the interior of the structure and shall comply with the California Building Code. The ventilation and filtration system must be approved by the building official and installed prior to commencing cultivation within the detached, fully-enclosed and secure structure or residential structure.
- d. A detached, fully-enclosed and secure structure used for the cultivation of marijuana shall be located in the rear yard area of a legal parcel or premises, maintain a minimum 10-foot setback from any property line, and the area surrounding the structure must be enclosed by a solid fence at least 6 feet in height.
- e. Adequate mechanical or electronic security systems approved by the building official and police chief must be installed in and around the detached structure or the residential structure prior to the commencement of cultivation.
- f. ~~Medical~~-Marijuana cultivation occurring within a residence shall be cultivated in an area no larger than 50 square feet, regardless of how many qualified patients, primary caregivers or individuals over the age of 21 are residing at the premises.
- g. Cultivation of marijuana shall not take place in the kitchen, bathrooms, or bedrooms being utilized by any person for sleeping purposes in any building.
- h. Cultivation of marijuana shall not take place on any carpeted surface.
- i. ~~Medical~~-Marijuana cultivation for sale is prohibited.
- j. ~~Medical~~-Marijuana cultivation may not occur in both a detached structure and inside a residence on the same parcel.
- k. The authorized grower shall take measures to prevent persons under 18 years of age from accessing medical marijuana cultivation areas, whether in a detached building or in a residence.

#### D. Cultivation Permit.

1. Prior to commencing any ~~medical~~-marijuana cultivation, the person(s) owning, leasing, occupying, or having charge or possession of any legal parcel or premises where ~~medical~~-marijuana cultivation is proposed to occur must obtain a ~~medical~~-marijuana cultivation permit from the police chief or his or her designee. The following information will be required with the initial permit application and subsequent permit extensions:
  - a. A notarized signature from the owner of the property consenting to the cultivation of ~~medical~~-marijuana at the premises on a form acceptable to the city.
  - b. The name of each person, owning, leasing, occupying, or having charge of any legal parcel or premises where ~~medical~~-marijuana will be cultivated.
  - c. The name of each qualified patient, primary caregiver or individual over the age of 21 who participates in the ~~medical~~-marijuana cultivation.
  - d. A copy of a current valid medical recommendation or county issued medical marijuana card for each qualified patient and primary caregiver identified as required above.
  - e. The physical site address of where the ~~medical~~-marijuana will be cultivated with a drawing and detailed description of where on the property the marijuana will be cultivated.
  - f. A signed consent form, acceptable to the city, authorizing City staff, including the police department, authority to conduct an inspection of the detached, fully-enclosed and secure structure or area of the residence used for the cultivation of ~~medical~~-marijuana upon 24 hours' notice.
2. The initial permit shall be valid for no more than 2 years and may be extended in increments of 2 years.
3. To the extent permitted by law, any personal or medical information submitted with a ~~medical~~-marijuana cultivation permit application or permit extension shall be kept confidential and shall only be used for purposes of administering this section.
4. The police chief, or his or her designee, may, in his or her discretion, deny any application for a ~~medical~~-marijuana cultivation permit, or extension thereof, where he or she finds, based on articulated facts, that the issuance



of such permit, or extension thereof, would be detrimental to the public health, safety, or welfare. The police chief shall deny an application for a ~~medical~~-marijuana cultivation permit, or extension thereof, which does not demonstrate satisfaction of the minimum requirements of this section. The denial of any permit application, or permit extension, shall be subject to appeal pursuant to Section 17.56.100.

5. The city council shall establish a fee or fees required to be paid upon filing an application for permit(s) as provided by this section, which fees shall not exceed the reasonable cost of administering this section.

E. **Enforcement.** Violations of this section shall constitute a public nuisance and may be enforced pursuant to the provisions of Sections 17.56.060 and 17.56.070.

F. **Appeals.** Any person aggrieved by any of the requirements of this section may appeal in so far as such appeals are allowed pursuant to Section 17.56.100.

**SECTION III.** The following section of Chapter 17.08 is hereby amended to read as follows:

**17.08.120 Marijuana Dispensaries.**

- A. Pursuant to Government Code Section 65858, and notwithstanding any other provision of this code, the establishment, development, construction, maintenance, or operation of a marijuana dispensary is hereby prohibited, and is not a permitted use in any of the following zoning districts, even if located within an otherwise permitted use: Urban Reserve 10 Acres (UR-10), Urban Reserve 5 Acres (UR-5), Agricultural Residential (RA), Rural Residential 1 Acre (RR-1), Rural Residential 20,000 Square Feet (RR-20), Rural Residential 10,000 Square Feet (RR-10), Large-Lot Residential (RL), Single-Family Residential (R-1), Medium-Density Residential (R-2), High-Density Residential (R-3), Urban-Density Residential (R-4), High-Density Residential/Professional (RP), Neighborhood Commercial (CN), Limited Commercial (C-1), Intensive Commercial (C-2), Highway Commercial Corridor (CH), Commercial Light Manufacturing (CLM), Office (OF), Downtown Mixed-Use (MXD), Neighborhood Mixed-Use (MXN), Corridor Mixed-Use (MXC), Airport Business Park (ABP), Light Industrial (M-1), Intensive Industrial (M-2), Public or Quasi-Public Facilities (PQ), and Open Space (OS). No person shall establish, develop, construct, maintain, or operate a marijuana dispensary, and no application for a building permit, use permit, variance, or any other entitlement authorizing the establishment, development, construction, maintenance, or operation of any marijuana dispensary shall be approved by the City of Oroville or any officer or employee thereof in any of the above districts.

**B. Prohibition of ~~Medical~~ Cannabis Delivery and Commercial Processing.**

1. All deliveries of ~~medical~~-cannabis are expressly prohibited within the City of Oroville. No person shall conduct any deliveries that either originate or terminate within city limits.
2. All commercial processing of ~~medical~~-cannabis is expressly prohibited within the City of Oroville.

C. **Permit or License Issuance.** The city shall not issue any permit, license, or other entitlement for any activity prohibited by the Oroville Municipal Code for which a state license is required under the Medical Marijuana Regulation and Safety Act MMRSA or the Control, Regulate and Tax Adult Use of Marijuana Act.

D. **Public Nuisance.** Any use or condition caused, or permitted to exist, in violation of any provision of this section shall be, and hereby is declared to be, a public nuisance and may be summarily abated by the ~~district~~ City pursuant to Code of Civil Procedure Section 731 or any other remedy available to the ~~district~~ City.

E. **Civil Penalties.** In addition to any other enforcement permitted by this section, ~~district~~ City counsel may bring a civil action for injunctive relief and civil penalties, as permitted by law, against any person or entity that violates this section. In any civil action brought pursuant to this section, a court of competent jurisdiction may award reasonable attorneys' fees and costs to the prevailing party.

F. **CEQA.** ~~This section is exempt from CEQA pursuant to CEQA Guidelines Section 15305, minor alterations in land use limitations in areas with an average slope of less than 20% that do not result in any changes in land use or density, and Section 15061(b)(3), which is the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment and CEQA does not apply where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment. The district's zoning provisions already prohibit all uses that are being expressly prohibited by this section. Therefore, this section has no impact on the physical environment as it will not result in any changes.~~

G. **Severability.** ~~If any subsection, subdivision, sentence, clause, phrase or portion of this section is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this section. The board of directors hereby declares that it would have adopted the ordinance codified in this section and each subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.~~

H. ~~Effective Date.~~ The urgency ordinance codified in this section shall take effect immediately from and after the date of its adoption, January 5, 2016.

**PASSED AND ADOPTED** by the Oroville City Council at a regular meeting held on April 18, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Scott E. Huber, City Attorney

\_\_\_\_\_  
Donald Rust, Acting City Clerk



# City of Oroville

COMMUNITY DEVELOPMENT DEPARTMENT

**Donald Rust**  
DIRECTOR

1735 Montgomery Street  
Oroville, CA 95965-4897  
(530) 538-2430 FAX (530) 538-2426  
[www.cityoforoville.org](http://www.cityoforoville.org)

## NOTICE OF EXEMPTION

**TO:** Butte County Clerk  
25 County Center Drive  
Oroville CA, 95965

**FROM:** City of Oroville  
1735 Montgomery Street  
Oroville, CA, 95965

Project Title: ZC 17-01: Expansion of Existing Medical Marijuana Land Use Regulations to Apply to Recreational and Medical Marijuana

Project Location – Specific: Citywide

Project Location – City: City of Oroville

Project Location – County: Butte

Description of Nature, Purpose, and beneficiaries of project: On November 8, 2016, the majority of California voters passed Proposition 64 – The Control, Regulate and Tax Adult Use of Marijuana Act (Prop 64). The City of Oroville has existing regulations that prohibit marijuana dispensaries, medical cannabis delivery and commercial processing, and regulations related to the cultivation of medical marijuana within the City limits. As much of the existing language in the City’s municipal code regarding the regulation of marijuana specifies that the regulations apply to “medical” marijuana, the intent of this code amendment is to include and/or delete language, where appropriate, to expand the applicability of the regulations to recreational and medical marijuana.

Name of Public Agency Approving Project: City of Oroville

Name of Person or Agency Carrying out Project: City of Oroville

Exempt Status (Check One):

- Ministerial (Sec. 21080(b)(1); 15268)
- Declared Emergency (Sec. 21080(b)(3); 15269(a))
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c))
- Categorical Exemption: State type & section number:
  - General Rule Exemption; Title 14, CCR, §15061(b)(3)
  - Minor Alterations in Land Use Limitations; Title 14, CCR, §15305
- Statutory Exemption: State code number:

Reasons why project is exempt: This project has been determined to be exempt from the California Environmental Quality Act (CEQA) as follows:

*General Rule Exemption; Title 14, CCR, §15061(b)(3)*

A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

*Minor Alterations in Land Use Limitations; Title 14, CCR, §15305*

Section 21084 of the Public Resources Code requires the CEQA Guidelines to include a list of classes of projects which have been determined not to have a significant effect on the environment and which shall, therefore, be exempt from the provisions of CEQA. Class 5 consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which do not result in any changes in land use or density.

The City's Zoning Ordinance already has regulations that prohibit marijuana dispensaries, medical cannabis delivery and commercial processing, and regulations related to the cultivation of medical marijuana within the City limits. As much of the existing language in the City's municipal code regarding the regulation of marijuana specifies that the regulations apply to "medical" marijuana, the intent of this proposed code amendment is to include and/or delete language, where appropriate, to expand the applicability of the regulations to recreational and medical marijuana.

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project?  Yes  No

Lead Agency Contact Person: Luis A. Topete

Telephone: (530) 538-2408

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

- Signed by Lead Agency
- Signed by Applicant



# City of Oroville

*Donald Rust*  
DIRECTOR

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## COMMUNITY DEVELOPMENT DEPARTMENT

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### NOTICE OF PUBLIC HEARING BEFORE THE CITY OF OROVILLE CITY COUNCIL

NOTICE IS HEREBY GIVEN that the City Council of the City of Oroville will hold a public hearing on the projects described below. Said hearing will be held at **6:30 p.m. on Tuesday, April 18, 2017** in the City Council Chambers, 1735 Montgomery Street, Oroville, CA. All interested persons are invited to attend or submit comments in writing.

1. **ZC 17-01: EXPANSION OF EXISTING MEDICAL MARIJUANA LAND USE REGULATIONS TO APPLY TO RECREATIONAL AND MEDICAL MARIJUANA** - The Oroville City Council will conduct a public hearing to review and consider approving an amendment to Title 17 of the Oroville Municipal Code (Zoning Ordinance) to expand the existing land use regulations regarding medical marijuana to apply to recreational and medical marijuana.

Additional information regarding the projects described in this notice can be obtained from the Oroville Community Development Department at 1735 Montgomery Street, Oroville, CA. Anyone desiring to submit information, opinions or objections is requested to submit them in writing to the Community Development Department prior to the hearing. In accordance with Government Code Section 65009, if you challenge an action on these projects in court, you may be limited to raising only those issues you or someone else raised at the public meeting described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public meeting.

Posted/Published: **Saturday, April 8, 2017**

**CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: DONALD RUST, ACTING CITY ADMINISTRATOR**

**RE: RE-EVALUATION OF THE PRIORITY LIST FOR THE USE OF EXCESS  
BOND PROCEEDS**

**DATE: APRIL 18, 2017**

**SUMMARY**

The Council may consider a re-evaluation and provide direction for use of the approximately \$3,403,149 of excess bond proceeds for implementation of development projects.

**DISCUSSION**

Pursuant to AB 1484, the amended state legislation dissolving redevelopment agencies, Health and Safety Code Section 34191.4(c), successor agencies can spend so-called "excess bond proceeds," which are pre-2011 tax allocation bond proceeds that are otherwise not obligated for a project. A Finding of Completion has been received from the Department of Finance ("DOF") and the funds have been transferred to the City from the Successor Agency. The expenditure of these excess bond proceeds must still comply with the bond covenants for which the bonds were issued.

The City Council held two separate Special Meetings on March 29, 2016 and April 12, 2016, where the Council discussed fifteen (15) specific projects and prioritized the projects to move forward using the excess bond proceeds for implementation of projects consistent with the original bond covenants.

At their May 17, 2016 meeting, the City Council approved expenditures for nine (9) selected projects totaling \$2,921,000 of the approximately \$3,403,149 of the excess bond proceeds for implementation of projects. The excess bond proceeds are NOT General Fund expenditures, and as such, the funds are restricted and can be used for limited purposes.

The following is the list of projects that were discussed with the Council regarding the general overall cost of each project and they prioritized the projects as follows:

		Cost estimate	\$ 3.4 million RDA Bond Proceeds	Developme nt Impact Fees	Other Funding Sources	City- owned properties	Proceeds from RDA Properties sold	Total Committed funds
A	Gateway project	1,500,000		(250,000)	(250,000)	(150,000)		(650,000)
B	Lincoln Street & Huntoon	1,500,000						-
C	Feather River Rev Plan	500,000						-
D	711/750 Mont							-
	Other Blighted properties							-
	Purchase 750 Mont.	68,000	(68,000)				(19,720)	(87,720)
E	Municipal (MIDAS) project	5,000,000						-
F	AC&E District	1,350,000	(50,000)		(32,000)			(82,000)
G	Affordable Housing	400,000	(400,000)	(500,000)				(900,000)
H	Myers Street Improvements (drainage)	2,400,000						-
	Underground Only	200,000						
I	City Museum	303,000	(70,000)					(70,000)
J	Corp Yard	550,000	(558,000)					(558,000)
K	Fire Station/Heli Port	1,278,000	(950,000)		(350,000)			(1,300,000)
L	Alley Improvements - PHASED	1,000,000	(50,000)		(49,800)			(99,800)
M	Veterans Memorial Park	1,200,000						-
N	PG&E Parking Lot A	250,000	(250,000)					(250,000)
O	Dispatch Capital Costs	525,000	(525,000)					(525,000)
		18,024,000	(2,921,000)	(750,000)	(681,800)	(150,000)	(19,720)	(4,522,520)

However, over the last eleven (11) months several projects have changed and staff is requesting clarification and direction regarding the following projects:

- G. Affordable Housing (Jamboree): \$400,000 – Affordable Housing and Sustainable Communities grant application was denied;
- K. Fire Station/Heliport (Westside Public Safety facility): \$950,000 – the Emergency Operation Center (EOC) component is proposed to be relocated to the Public Safety Facility at 2450 Lincoln Boulevard;
- N. PG&E Parking Lot A: \$250,000 – upon request from the Downtown Business Association, the Council approved minor parking lot improvements and the elimination of the plaza area proposed as part of the Ace, Culture & Entertainment District in the Parking Lot A; and
- O. Dispatch Capital Costs: \$525,000 – the Dispatch Center and EOC are proposed to be relocated to the second floor of the Public Safety Facility at 2450 Lincoln Boulevard.

## FISCAL IMPACT

Appropriations of \$3,403,149 are available in Fund 304-Capital Projects Bond Proceeds, for these projects.

## RECOMMENDATION

Provide direction, as necessary.

## ATTACHMENTS

None



**CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: DONALD RUST, DIRECTOR (530) 538-2433  
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: REPLACEMENT OF WATER SUPPLY LINE AND VALVE IN STATE  
THEATER BASEMENT**

**DATE: APRIL 18, 2017**

**SUMMARY**

The Council may consider the cost of the plumbing expenses for the replacement of a leaking water supply line and valve in the State Theatre's basement.

**DISCUSSION**

On March 17, 2017, City staff and representatives of the State Theatre Arts Guild (STAGE) met to discuss potential amendments to the current lease agreement of the State Theatre between City and STAGE. At the meeting, STAGE indicated that there was a leaking water supply line and valve to the dressing rooms and restrooms in the basement. In addition, STAGE indicated that the Exchange Club's "Search for Talent" event was taking place and they had spoken with the City's Building Maintenance personnel and the issue appeared to be under control.

On March 21, 2017, the Consultant to the STAGE Board of Directors (Consultant) contacted the City indicated an urgent need to have the leaking water line repaired and that the work could not take place until the week of April 10, 2017, due to scheduled events at the Theatre. The Consultant wanted the work completed, but due to the unknown nature of the problem and the expense, staff would need authorization from the City Council to move forward with the repair. The Consultant indicated that they believed that STAGE might author the expense and inquired if the City would allow the work to move forward. Staff indicated that if there were no expense to the City, and STAGE wanted to move forward with the repairs with no further action from the City, that they could proceed.

STAGE called three plumbing contractors and received two quotes:

- \$3,100 Gary Paul Plumbing
- \$2,800 4R Plumbing

STAGE selected 4R Plumbing, as the \$2,800 quote was a firm number. The replacement of the 2" water line and valve has been completed with a ¾" water line and new valve installed.

On Friday, March 31, 2017, at 7:55 PM, City Staff received a call from the Consultant regarding an emergency plumbing issue regarding the leaking water line and a clog in one of the restrooms in the basement of the Theater. The City's Building Maintenance personnel was called to assist with the plumbing emergency and made an assessment that evening and then returned Saturday morning to make the necessary repairs for a total of 2 ½ overtime hours.

On April 11, 2017, the Consultant called requesting full reimbursement for the plumbing repairs in the amount of \$2,800, or at least consideration to split the cost. Staff indicated that this would need to go to the Council to consider and authorize the work.

### **FISCAL IMPACT**

The \$2,800 plumbing repair cost for 4R Plumbing as well as the 2 ½ overtime hours for the City staff to assist in shutting of the water and unclogging a toilet on a weekend. Considering the present budget constraints the City is facing, full reimbursement to STAGE for the Plumbing repairs would further push the City into deficit.

The City has paid the following expenses for the State Theater in the last twelve months:

Salaries and benefits,	\$ 727
Maintenance	3,985
Supplies	700
Outside Services	4,145
Telecommunications	939
Utilities	<u>49,117</u>
Total	<u>\$ 59,613</u>

### **RECOMMENDATION**

Authorize one of the following options:

- STAGE to pay the full amount of the \$2,800 cost of plumbing repair as indicated by the Consultant;
- STAGE and the City to split the cost 50/50 at \$1,400 each (or whatever the final amount of the repair);
- CITY to pay full \$2,800 cost of plumbing repair; or
- Provide direction, as necessary.

### **ATTACHMENTS**

None

**OROVILLE CITY COUNCIL  
STAFF REPORT**

**TO: MAYOR AND CITY COUNCIL MEMBERS**

**FROM: DONALD RUST, ACTING CITY ADMINISTRATOR  
ADMINISTRATION DEPARTMENT**

**RE: OROVILLE DAM COALITION LETTER**

**DATE: APRIL 18, 2017**

**SUMMARY**

The Council may consider joining with a coalition of community groups, local governments and agencies, businesses, labor groups and individuals by participating with a coalition letter, with use of the City's logo in the coalition's letterhead, to be sent to the Governor's office and the Secretary of Natural Resource's office, specifying concerns, requests, and questions related to the recent Oroville Dam Spillway incident.

**DISCUSSION**

The City of Oroville has been contacted by Senator Jim Nielsen's office requesting the City's involvement in a coalition of community groups, local governments and agencies, businesses, labor groups, and individuals who have been affected by the recent Oroville Dam Spillway incident. In coordination with Assemblyman Gallagher's office, this coalition wrote a letter to be sent to the Governor's office and the Secretary of Natural Resources' office, highlighting some of the concerns and questions that our region has in light of the recent incident at the Oroville Dam. The letter outlines concerns and questions on behalf of the coalition and requests a response to each of the concerns and questions outlined in the letter. Additionally, the letter formally requests that the coalition be briefed and consulted as conditions change, recovery plans are being crafted and other critical short and long-term issues are being discussed. This request specifies that, as an initial matter, the coalition would like to have a briefing from the technical staff (not PR staff) tasked with design and construction of spillways fixes that are scheduled to be completed before November 1, 2017.

**FISCAL IMPACT**

There will be no impact to the General Fund.

**RECOMMENDATIONS**

Agree to have the City of Oroville participate in a coalition of community groups, local governments and agencies, businesses, labor groups, and individuals in the herein identified, coalition letter, with use of the City logo in the coalition's letterhead, to be sent

to the Governor's office and the Secretary of Natural Resources' office, specifying concerns, requests, and questions related to the recent Oroville Dam Spillway incident.

## **ATTACHMENTS**

A – Oroville Dam Coalition Letter

The Honorable Edmund G.  
Brown Jr. Governor of California  
State Capitol, First Floor  
Sacramento, CA 95814

John Laird, Secretary  
California Natural Resources Agency  
1416 Ninth Street, Suite 1311  
Sacramento, CA 95814

Dear Governor Brown & Secretary Laird:

We are a coalition of community groups, local governments and agencies, businesses, labor, and individuals who have been affected by the recent Oroville Dam crisis.

The State, in partnership with local agencies, has greatly improved public safety downstream of Oroville Dam through the investment of hundreds of millions of dollars in levee repairs and other flood management measures--this investment has proven to be effective and timely in light of recent high water events. Oroville Dam itself plays a critical role in metering flood flow on the Feather River. However, while we are cognizant and appreciative of the many flood control benefits of Oroville Dam, we are greatly concerned by the physical constraints and operational decisions that have negatively impacted our downstream communities.

Oroville was built with the anticipation of Marysville Dam providing an additional flood control buffer that was never realized. In the last fifty years, atmospheric rivers occurring when there is a large snowpack have fueled large inflows into the dam requiring large discharges from the spillway. Climate change has made this worse. Levee failures, flood fights, emergency evacuations and loss of life and property during high water events in 1986, 1997 and 2017 have all been borne by our residents who live and work immediately downstream of Oroville Dam. This latest ongoing incident dramatically highlights the fact that those who suffer the greatest consequences from dam malfunction or failure have little or no say in the construction, operation or maintenance of that structure.

Oroville spillway conditions negatively affect our communities downstream, communities that are composed of low-income, minority and economically depressed constituencies. In the City of Oroville for example, 24% of the population lives in poverty. Just downstream in Marysville, the poverty rate is nearly 29%. The benefits of the Oroville Dam project are significant throughout the state, providing water to 24 million people in California. But the extreme danger and burden of flood water is shouldered by our disadvantaged communities alone. We view this as a social, economic and environmental justice issue that must be addressed.

Accordingly we have the following requests and questions:

1. This emergency has demonstrated that the Oroville Dam lacks the operational flexibility and reliability to provide adequate flood protection to communities downstream. It is not clear how DWR is adapting both the dam itself and/or reservoir operations to accommodate these deficiencies. We believe options

need to be explored to provide for large releases well in advance of high water events and well below the service spillway crest elevation. Or, overall flood protection could be improved by providing additional flood buffer when there is a large snowpack and the potential for warm storms.

2. DWR's outreach to the downstream communities directly impacted has been inadequate at best. Our best sources of information have been informal and indirect sources rather than through official DWR channels. DWR must immediately shift its thinking in how, when, and to whom it shares information. There is already a strong community distrust of DWR due to this event. A lack of communication and transparency only makes it worse. DWR could do much more to improve trust and credibility with the community by providing greater transparency and providing formal, consistent communication with the downstream communities.
3. Design and construction of the necessary repairs to the dam and related infrastructure must be paramount and other considerations must be secondary. The number one priority must be to protect the lives of 200,000 people living immediately downstream. To be abundantly clear: fisheries protection, water supply issues, State Water Contractor priorities, FEMA reimbursement, politics and other issues must take a distant backseat to public safety. We urge DWR to publicly acknowledge this priority.
4. The overall infrastructure of the dam is old and, in the case of the spillways, river valves and turbines, failing. There must be a longer term plan for ensuring that Oroville Dam and all appurtenant features are repaired and brought up to 21<sup>st</sup> century standards. This plan should include not only the gated spillway and the emergency spillway, but also ensuring the plant facilities and low level release valves are adequate and fully operational. All construction plans should be reviewed by independent experts to ensure that this infrastructure is well planned, soundly built and supported. This modernization should be paid by the owners of the project, which we understand to be the State Water Contractors.
5. There must be a full and thorough review of how the Department of Water Resources designed, constructed, operated and maintained the dam. This review should include not only the existing, independent consulting board review and regulatory review, but also legislative oversight hearings and reviews by the State Auditor. Full disclosure and transparency of these proceedings and documents is essential.
6. There must be a public discussion as to how Oroville Dam should be operated in the future and who should operate it. Without prejudging the conversation, some of the questions are as follows:

- a. Should DWR continue to be the operator of Oroville Dam? There are other alternatives and they should be analyzed and discussed.
- b. Should the Division of Dam Safety remain under the Department of Water Resources or should it become an independent body or moved to another agency to avoid perceived conflicts? Many of the most important technical regulators in the State serve under a publicly accountable board—DSOD should be no different.
- c. Are the current inspections, maintenance, repair, and replacement activities associated with the infrastructure at the dam sufficient to provide for public safety?
- d. How can we ensure more local input on Dam operations?
- e. Should there be a more robust public safety obligation on the part of DWR to provide for law enforcement and emergency response at the Oroville Dam and Reservoir? As of now this obligation is largely shouldered by Butte County which has limited resources. FERC and DWR need to treat Butte County fairly for all the services provided to Lake Oroville facilities.
- f. Should the operations at Oroville Dam be modified to provide for increased flood space during seasons in which there is a large snowpack?
- g. How has DWR's coordinated reservoir operations and predictive forecasted reservoir operations benefitted our communities? How could these tools be better utilized? Forecasting during this crisis has been significantly inaccurate.

#### 7. Improving Flood Protection Downstream:

- a. There are several constrictions of the Feather River downstream that could be improved to better contain flood flows from the spillway. A cost-benefit study should be conducted to analyze projects that might alleviate these constrictions.
- b. There are also several critical repair sites along the Feather River levee system that should be improved in order to better contain future flood flows from the spillway, including but not limited to sites in District 10, south of Yuba City, and south of Nicolaus. These were the sites of significant seepage during the recent crisis.
- c. We have also seen large-scale erosion of the river banks as a result of quick draw downs of the spillway in the aftermath of the crisis. This erosion could ultimately threaten levees and, combined with the debris from the spillway collapse, has contributed to significant debris in the river channel. The debris impact to the carrying capacity of downstream levees must be analyzed/measured and removal/mitigation measures must be taken to protect property, lives, and the ecology and fish habitat of the Feather River.





City of Oroville  
APR 11 2017  
Administration

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

California Department of Water Resources

Project No. 2100-054

ORDER GRANTING EXTENSION OF TIME TO FILE THE 2017 BIENNIAL  
RECREATION REPORT

(Issued April 5, 2017)

1. On March 28, 2017, the California Department of Water Resources, licensee for the Oroville Hydroelectric Project No. 2100, filed a request to extend the filing date for the 2017 biennial Recreation Report, required by ordering paragraphs (J) and (K) of the Order on Revised Recreation Plan.<sup>1</sup> The project is located on the Feather River in Butte County, California.
2. Ordering paragraphs (J) and (K) require, in pertinent part, the licensee to file a report with the Commission by April 1 of odd-numbered years,<sup>2</sup> describing the use of the project's recreational facilities as well as meetings and activities of the Oroville Recreation Advisory Committee during each of the two preceding calendar years.
3. The licensee states that the timeframe for developing the draft report is typically February through March to meet the April 1 filing date. Subsequently, the Oroville Recreation Advisory Committee provides comment to the licensee between April and May, and if necessary the licensee files a second filing with the Commission to address any of the committee's comments.
4. Currently licensee staff as well as California State Parks staff are involved with the ongoing Oroville spillway emergency incident which is taking priority over the development of this report. The licensee is requesting to extend the filing date to

<sup>1</sup> Order Modifying and Amending the Revised Recreation Plan Order (151 FERC ¶ 62,138), issued May 28, 2015. The recreation plan was previously approved by the Approving and Modifying Amended Proposed Revised Recreation Plan (79 FERC ¶ 62,073), issued May 1, 1997.

<sup>2</sup> The filing date was changed from November 1 to April 1 via the Order Amending Filing Due Date (77 FERC ¶ 62,147), issued December 11, 1996.

Project No. 2100-054

- 2 -

October 1, 2017, so that it can coordinate with the California State Parks on the report when staff is available.

5. The licensee's justification for the additional time to file the 2017 biennial Recreation Report is reasonable and justifies granting the extension. However, to ensure efficient use of licensee time given the emergency spillway situation, this order grants an extension until December 31, 2017 to file the Recreation Report. The additional time is granted to provide the licensee additional time to draft the report and consult with the Recreation Advisory Committee, and ultimately submit just one filing for this requirement.

The Director orders:

(A) California Department of Water Resources' request to extend the filing date to 2017 biennial Recreation Report, for the Oroville Hydroelectric Project No. 2100, is approved. The filing date is extended to December 31, 2017.

(B) This order constitutes final agency action. Any party may file a request for rehearing of this order within 30 days from the date of its issuance, as provided in section 313(a) of the FPA, 16 U.S.C. § 8251 (2012), and the Commission's regulations at 18 C.F.R. § 385.713 (2016). The filing of a request for rehearing does not operate as a stay of the effective date of this order, or of any other date specified in this order. The licensee's failure to file a request for rehearing shall constitute acceptance of this order.

Robert J. Fletcher  
Land Resources Branch  
Division of Hydropower Administration  
and Compliance